JOSH GREEN LIEUTENANT GOVERNOR



ANNE PERREIRA-EUSTAQUIO DIRECTOR

JOANN A. VIDINHAR DEPUTY

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS www.labor.hawaii.gov

April 6, 2021

To: The Honorable Richard H.K. Onishi, Chair, The Honorable Jackson D. Sayama, Vice Chair, and Members of the House Committee on Labor & Tourism

Date: Tuesday, April 6, 2021

Time: 10:00 a.m.

Place: Conference Room 312, State Capitol and via VideoConference

From: Anne Perreira-Eustaquio, Director Department of Labor and Industrial Relations (DLIR)

<u>Re: S.C.R. No. 98 REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL</u> <u>RELATIONS TO CONVENE A TASK FORCE ON PAID FAMILY LEAVE</u>

I. OVERVIEW OF PROPOSED LEGISLATION

SCR98 requests the DLIR to convene a task force to study, design, and develop a Paid Family Leave Pilot Program (PFL Pilot Program) with coverage limited to certain employers and employees to be established and implemented by the DLIR as a trial program that could be expanded to cover all public and private sector workers in the State. The task force is to submit a report to the Legislature no later than twenty days prior to the convening of the 2022 Legislature describing the progress made by the task force and its findings and recommendations, including proposed legislation.

The report is to include:

- Data on the amount of leave taken or, if there is no data, the amount of leave deemed generally necessary by health care providers for qualifying reasons that not based on the serious health condition of the employee or the employee's family members;
- Identification of issues related to the establishment and implementation of the PFL Pilot Program;
- Impacts and estimated costs of establishing and implementing the PFL Pilot Program;
- The opportunities and challenges of expanding the PFL Pilot Program to the State's entire workforce; and
- Recommendations for the basic structure of the PFL Pilot Program.

SCR 98 April 6, 2021 Page 2

These recommendations include:

- Coverage of employers such as industry sectors and geographic regions;
- Eligibility criteria for employees, such as a minimum amount of time worked, or earnings achieved;
- Benefit amounts and wage replacement ratio;
- Length of leave including the maximum weeks of leave, for bonding and family caregiving;
- Qualifying events;
- Covered family relationships;
- Whether to provide job protection;
- Interaction with the State's Temporary Disability Insurance (TDI) program; and
- The administrative structure and claims management.

The DLIR offers comments on this resolution.

II. CURRENT LAW

Chapter 398, Hawaii Revised Statutes (HRS), requires employers with one hundred or more employees to provide certain employees with up to four weeks of unpaid job-protected leave when the employee has a qualifying reason such as birth or adoption of a child or to care for a child, spouse, reciprocal beneficiary, sibling, grandchild, or parent with a serious health condition.

Chapter 392, HRS, requires employers to provide wage replacement, known as Temporary Disability Insurance, to qualifying employees who are unable to work due to the employee's illness or injury that is not related to work.

III. COMMENTS ON THE SENATE CONCURRENT RESOLUTION

The Legislature has considered various bills related to paid family leave over numerous sessions and has received testimonies from parties that feel strongly whether paid family leave should be required, the program parameters, and the best format for the program. The DLIR recognizes these competing and divergent interests the members of the taskforce represent will severely impede progress that can be made towards establishing the PFL Pilot Program.

The DLIR therefore recommends the Resolution identify the goal and objectives of the PFL Pilot Program rather than having the Task Force develop them among competing interests. Objectives that identify the targeted population, the level of economic security to be provided, and the length of time the population is to be supported will allow the Task Force to move past the contentious issues and interests its members bring to the table, and will allow them to identify and report on the impacts, costs, issues, opportunities, and challenges related to the implementation and possible expansion of the particular program being proposed by the Legislature.

The DLIR also recommends that the Resolution establish the Governance Policy of the Task Force to create guidelines for the Task Force to operate under. At a minimum the Resolution should identify the voting members on the Task Force as well as the authority of the Task Force Chairperson.

The DLIR further recommends that the deadline for the report to the Legislature be extended from 2022 to 2023. The 2022 deadline for the report does not provide enough time for the task force to develop a program that could be as contentious and far-reaching as a paid family leave program. It may take weeks or months to have all members of the task force appointed. It will also take months to research and develop the policy aspects that need to be determined before the task force can begin to consider the policy decisions needed.

To carry out the provisions of this resolution, the DLIR will require the following dedicated personnel and funds (\$304,736) to support the Task Force:

- An excluded state employee (EM-8, \$111,072 \$184,908) to serve as the chairperson;
- A Temporary Disability Insurance Specialist (SR-24, \$62,136) and a Labor Law Enforcement Specialist (SR-24, \$62,136) to provide program support; and
- Two clerical support staff (SR-10, \$70,392) to provide clerical support.



April 3, 2021

TO: Chair Onishi and members of LAT Committee

RE: SCR 98 REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A TASK FORCE ON PAID FAMILY LEAVE

Support for hearing on April 6

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support SCR 98 as we support Paid Family Leave Insurance.

In 2017 working families on the national level lost \$20.6 billion in wages due to the lack of paid family leave; on the state level, they lost approximately \$2 billion in 2011 when caring for loved ones. These statistics show that lack of paid leave clearly has a negative effect on families and has the potential to force workers, especially those with low incomes, to choose between financial stability and care-giving duties.

Family leave for mothers pays multiple dividends. In a California study, women who took paid family leave were more likely to initiate breastfeeding and continue breastfeeding for longer periods of time than those who did not take paid family leave. Taking the leave decreases the risk of health problems for babies, which includes asthma, diabetes, eczema, and Sudden Infant Death Syndrome. It also decreases a mother's chance at developing breast and ovarian cancer, diabetes, and hypertension after childbirth. Moreover, mothers in a New York survey were more likely to report experiencing depression in the year following the birth of their child if they took less than six weeks of leave and were more likely to report experiencing poor health if they took less than four weeks of leave . It is a testimony to the maternal benefits of paid family leave that women who take paid leave for bonding purposes are 40% less likely to use food stamps than women who return directly to work after

Family leave is important for fathers. As seen in studies from states already providing Paid Family Leave Insurance, a lack of paid leave discourages men, especially fathers, from taking time off to care for family members. Thus, the responsibility of care-giving falls heavily upon women: on a national level, women make up approximately 75% of informal caregivers. Only 22% of women have employers offering paid maternity leave. Some mothers in the state of Hawaii may receive temporary disability insurance after giving birth, but this program solely covers the time needed to recover from complications from childbirth. It also fails to cover families adopting an infant.

We hope the Task Force will look at the studies and advance a program of Paid Family Leave Insurance.

Thank you for your favorable consideration.

Sincerely, John Bickel, President



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

- To: House Committee on Labor & Tourism
- Re: SCR 98 Requesting the Director of Labor and Industrial Relations to convene a task force on paid family leave Hawai'i State Capitol, via videoconference, room 312 April 6, 2021, 10:00 AM

Dear Chair Onishi, Vice Chair Sayama, and committee members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in SUPPORT of SCR 98. This resolution requests the Director of Labor and Industrial Relations to convene a task force to study, design, and develop a paid family leave pilot program.

The United States is the only OECD nation that does not provide paid family leave for its working population.¹ To fill that gap, in just the last five years, six states and the District of Columbia have passed paid family leave laws.² While we would prefer that Hawai'i join them and also pass a paid family leave law, these resolutions represent progress towards that goal.

These resolutions refer to the Legislative Reference Bureau's 2019 *Paid Family Leave Program Impact Study*, specify the membership of the task force, set a deadline to issue a report, and request that the task force's report include information such as the amount of leave generally taken, recommendations for the structure of the pilot program, estimated costs, and proposed legislation.

Please note that in late 2017, a comprehensive *Hawai'i State Paid Family Leave Analysis Grant Report*³ was **published that already answers most of the questions that the task force would be asked to consider**. This report was funded by a grant issued to the Hawai'i State Commission on the Status of Women by the U.S. Department of Labor's Women's Bureau. Hawai'i Children's Action Network helped issue the report as well.

The 2017 report includes detailed Hawai'i-specific usage, cost, and administration analyses by national paid family leave experts. In fact, one of the experts spent several weeks in Hawai'i in 2017, visiting state department offices to examine our computer systems and determine the best way to administer such a program in Hawai'i.

Not surprisingly, the 2017 report and some of its authors' other paid family leave research are cited in the 2019 LRB study. We recommend that the legislature also draw upon the Hawai'i-specific data and analysis in the impressive 2017 report, as you move towards developing a paid family leave program in Hawai'i.

Thank you,

Nicole Woo, Director of Research and Economic Policy

³ <u>https://www.capitol.hawaii.gov/CommitteeFiles/senate/LBR/LBRfiles/DOL_Hawaii-State-Paid-Family-Leave-Analysis-</u> <u>Grant-Report.pdf</u>

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¹ <u>https://www.pewresearch.org/fact-tank/2019/12/16/u-s-lacks-mandated-paid-parental-leave/</u>

 ² <u>https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/state-paid-family-leave-laws.pdf</u>
³ <u>https://www.capitol.hawaii.gov/CommitteeFiles/senate/LBR/LBRfiles/DOL_Hawaii-State-Paid-Family-Leave-Analysis-</u>

HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO



RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-First Legislature, State of Hawaii House of Representatives Committee on Labor and Tourism

Testimony by Hawaii Government Employees Association

April 6, 2021

<u>S.C.R. 98 – REQUESTING THE DIRECTOR OF LABOR</u> AND INDUSTRIAL RELATIONS TO CONVENE A TASK FORCE TO STUDY, DESIGN, AND DEVELOP A PAID FAMILY LEAVE PILOT PROGRAM

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.C.R. 98 which requests the Director of the Department of Labor and Industrial Relations to convene a task force to study, design, and develop a paid family leave pilot program. We appreciate the inclusion of two representatives from public sector labor organizations to the task force.

It is commonly accepted knowledge that most workers in Hawaii will utilize family leave at some point in their careers to provide much needed care for a loved one. While we have historically supported the passage of a paid family leave program and recognize that it is long overdue, we must prioritize a thoughtful and systematic approach in the program's creation and implementation. Across the country, nine states and the District of Columbia have enacted paid family and medical leave laws, yet no two paid family leave models are identical. We must collectively consider Hawai`i's existing benefit structures and systems to best formulate a plan that is unique to our state. Although the Legislative Reference Bureau issued a Paid Family Leave Program Impact Study in December 2019, it was limited to providing estimated costs and staffing requirements and did not address a variety of policy issues including benefit amounts and wage replacement ratios, appropriate length of leave, and eligibility. The creation of a Task Force is a steadfast solution that ensures all of the stakeholders have a seat at the table to consider programmatic intricacies and launch a pilot program for a paid family leave program that could be expanded to cover all public and private sector workers in Hawai`i.

Thank you for the opportunity to testify in strong support of S.C.R. 98.

Respectfully submitted,

Randy Perreira Executive Director

<u>SCR-98</u> Submitted on: 4/2/2021 10:07:03 AM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Field	Planned Parenthood Alliance Advocates	Support	No

Comments:

Planned Parenthood Alliance Advocates supports SCR 98. Thank you!

<u>SCR-98</u> Submitted on: 4/4/2021 2:07:20 PM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Younghi Overly	AAUW of Hawaii	Support	No

Comments:

Members of AAUW of Hawaii appreciate this opportunity to testify in support of SCR98 which would ask the Director of Labor and Industrial Relations to convene a task force to study, design, and develop a paid family leave pilot program.

Mahalo for including community advocacy organizations in the task force, and AAUW of Hawaii recommends that Hawaii Women's Coalition and Hawaii Children's Action Network be included in the task force. The Hawai`i Women's Coalition is a catalyst for progressive, social, economic and political change through action on critical issues facing Hawaii's women and girls. Membership currently include 29 organizations and agencies (private, public, membership) as well as individuals. Hawaii Children's Action Network (HCAN) is a 501(c)(3) nonprofit and the only one in the state of Hawaii solely committed to advocating for children.

According to Aloha United Way, more than half of Hawaii households are struggling to afford basic needs. If these families can barely make ends meet while working full-time, there is no way they could survive without pay. Without paid family leave, many workers will be forced to decide between taking care of a sick keiki or kupuna or livelihood. AAUW works toward greater availability of and access to a high standard of benefits and policies that promote work-life balance including family leave. Without these policies, balancing the responsibilities of work and family can be difficult for employees, negatively impacting productivity, engagement, and wellness. Mahalo again for starting us on the path of paid family leave.

The American Association of University Women (AAUW) of Hawaii is a state-wide organization made up of six branches (Hilo, Honolulu, Kauai, Kona, Maui, and Windward Oahu), and over 3800 members and supporters statewide. As advocates for gender equity, AAUW of Hawaii promotes the economic, social, and physical well-being of all persons.

Younghee Overly, Public Policy Chair, AAUW of Hawaii

<u>SCR-98</u> Submitted on: 4/4/2021 6:49:19 PM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Patricia Bilyk	Breastfeeding Hawaii	Support	No

Comments:

BREASTFEEDING HAWAII

PO Box 427 KÄ• neohe Hawaii 96744

www.breastfeedinghawaii.org

TO: Rep. Onishi, Chair and Members of the House Committee on Labor and Tourism

Date and Time: April 6, 2021 10 am

I am Patricia Bilyk an Advanced Practice Registered Nurse and Board Member with Breastfeeding Hawaii. I am representing Breastfeeding Hawaii with this testimony.

Breastfeeding Hawaii is a non profit 501c3 organization that promotes, protects and supports Breastfeeding in the State of Hawaii.

Breastfeeding Hawaii strongly supports SCR 98 and the proposed work of the Community Task Force to create the Paid Family Leave Pilot Program by the next Legislation Session in 2021. We know there is already much information available from other states, cities and the Federal Government plus 2 excellent Hawaii specific reports with relevant information for Hawaii State employer/employee needs that could be very valuable in pilot program development.

Our Organization looks forward to participating with those in our Women's Advisory Organization and the Working Family Coalition to help develop this much needed Program for the Workers and Families of Hawaii!

Thank you for putting forth this Resolution which continue the very important conversation of creating a Paid Family Leave Pilot Program in our State.

We strongly encourage this Committee to pass this Resolution out of committee.

Patricia L Bilyk, APRN, MPH, MSN, IBCLC (Retired)



House Committee on Labor & Tourism

Representative Richard H.K. Onishi, Chair Representative Jackson D. Sayama, Vice Chair Tuesday, April 6, 2021 at 10:00 A.M. Written Testimony

RE: SCR 98, REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A TASK FORCE TO STUDY, DESIGN, AND DEVELOP A PAID FAMILY LEAVE PILOT PROGRAM.

Chair Onishi, Vice Chair Sayama, and Members of the Committee:

The Society for Human Resource Management (SHRM) Hawaii offers comments with suggested amendments on SCR 98.

SHRM Hawaii serves and represents nearly 600 members and employers' statewide and human resource management is a critical component to the success and survival of the many businesses that make up our local economy. HR professionals are responsible for evaluating and balancing the needs of both the employers and employees and caring for businesses' most valuable asset: the working people of our state.

We respectfully request a representative from an "employer organization" such as the Society for Human Resource Management Hawaii. The knowledge and insights into human resource management, compliance, internal systems, and processes will be of value to meet the goals and objectives of the resolution.

Thank you for the opportunity to offer testimony.

Kalani Morse Legislative Affairs Committee Co-Chair Dailyn Yanagida Legislative Affairs Committee Co-Chair



SHRM Hawaii, P. O. Box 3175, Honolulu, Hawaii (808) 447-1840

<u>SCR-98</u> Submitted on: 4/2/2021 6:32:30 PM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry	Individual	Support	No

Comments:

Aloha,

I strongly support this legislation.

This is common sense law for new parents and those caring for Kupuna. There needs to be solid support for workers if there's a need to take time off of work for their or their families health reasons

As a kupuna and new grandmother, I ask you to please support this important legislation. Mahalo,

<u>SCR-98</u> Submitted on: 4/3/2021 10:35:32 AM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
chelsea pang	Individual	Support	No

Comments:

Paid family leave corrects some of the gender disparity in economy since pandemic and it improves the economy

<u>SCR-98</u> Submitted on: 4/3/2021 1:37:04 PM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shay Chan Hodges	Individual	Support	No

Comments:

I support paid family leave. It's good for families; it's good for our state's economy; and it's good for employers. We've seen the obvious benefits of paid family leave over the last year -- but as a reminder:

Paid Family Leave supports family well-being and the economy

Health

- PFL is associated with a 20% decrease in infant mortality
- The availability of family leave insurance benefits leads to increased rates of breastfeeding, which has been shown to have long-term health benefits.
- Increases health equity among different racial and socioeconomic groups
- KÅ «puna deserve high quality care and currently there are not enough licensed care homes/ care home workers to care for the fast growing population of kÅ «puna here

Economic Security

- Women who take paid parental leave and return to work are 39% less likely to receive public assistance and 40% less likely to receive food stamps than women who do not take paid leave and return to work.
- Women are the primary or co-breadwinners for almost two- thirds of families in the U.S., so a woman's income lost during maternity leave has significant economic impact on her entire family.
- In Hawaii, the majority of families are "working families" who cannot afford to take unpaid leave long enough to cover their caretaking needs—paid family leave alleviates economic instability for struggling families by ensuring job security.

Business Impact

- Family leave insurance helps increase worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over
- A shared cost (employer/employee), state-run insurance fund, is an affordable solution that takes the burden off small businesses to provide leave and helps them compete against big corporation competitors.

Paid Family Leave is affordable for employers and employees

An actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58, averaging out to cost about \$1.11 per week.

Funding: 50/50 employer/employee cost split. Employers should have the option of covering the entire insurance premium (estimated to be around \$5/ month for the average worker under a social insurance model), but employers may require employees to contribute up to 50% of the premium cost.

Mahalo.

To: Hawaii State Legislature – Committee on Labor & Tourism

Hearing: Date/Time: Tuesday, 6-Apr-2021 10:00 am

Place: Hawaii State Capitol, Room 312

Re: Judith Ann Armstrong is in strong support of SCR98 Related to Paid Family Leave

Aloha Chair Richard H.K. Onishi, Vice-Chair Jackson D. Sayama, and esteemed members of the Committee,

I am writing in support of SCR98, which seeks to convene a task force on paid family leave.

The United States is the only OECD nation that does not provide paid family leave for its working population. To fill that gap, nine states and the District of Columbia have paid family leave laws, including six that passed in just the last five years. Hawaii should join them, in order to keep working families here. A task force to identify the parameters and goals of Paid Family Leave is a logical first step to defining laws to provide this benefit.

I strongly urge our legislators to support.

Thank you for this opportunity to testify in support of this important measure.

Sincerely, Judith Ann Armstrong JudithAnnArmstrong@gmail.com Honolulu, HI 96815

<u>SCR-98</u> Submitted on: 4/5/2021 7:56:32 AM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Yamauchi	Individual	Support	No

Comments:

We need to take steps urgently to support working families in Hawai'i, and paid family leave is one of those important steps. Paid family leave helps families, but it also helps our economy. This model is affordable for both families and businesses. As a business owner, I ask you to adopt this legislation to continue to work toward establishing a paid family leave program in Hawai'i.

Thank you for your consideration.

<u>SCR-98</u> Submitted on: 4/5/2021 8:56:59 AM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kaikea K. Blakemore	Neighborhood Place of Puna	Support	No

Comments:

Many families in our community struggle to pay for basics like food, housing, transportation and childcare. While cost of living has skyrocketed in Hawai'i, wages have not kept up. Research conducted by the Aloha United Way ALICE report finds that many families struggle with paying for basics to survive, suggesting the issues of actual poverty and financial struggle for many families are more grave than tends to be acknowledged. Many families experience food insecurity, financial stress, and homelessness in our community. As service providers, our family shelters are often full and our case workers struggle to find affordable housing for local families working to recover from such situations.

It is often said that many people in America are "only a paycheck away" from homelessness. The coronavirus pandemic made this clear with the National Low Income Housing Coalition estimating 30-40 million U.S. families facing homelessness this year. We need better safety nets. As an agency focused on Child Abuse and Neglect Prevention, we ask you to consider the external stressors that plague our community like financial instability. Another recent study found that a majority of Americans would not be able to handle a \$400 emergency (such as a car repair or medical bill). This means that without paid family leave, we are leaving a majority of families vulnerable to cascading negative effects of poverty by neglecting higher wages for workers and social safety nets.

In social services we often cite a "revolving door" of homelessness, where when some homeless families are housed, numbers of homeless in Hawai'i do not actually go down because new families may enter into homelessness just as quickly. Bills like SCR98 help to prevent outcomes like this so our keiki can have brighter and safer futures. They also help to prevent Child Abuse and Neglect directly by alleviating unnecessary stress on working class parents struggling to support their children. Mahalo for your consideration of our testimony and support of this important bill.

Kaikea K. Blakemore Community Development Specialist Neighborhood Place of Puna

<u>SCR-98</u>

Submitted on: 4/5/2021 10:46:12 AM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Erin ODonnell	Individual	Support	No

Comments:

Aloha,

I support SCR98 for the benefit of working 'ohana here in Hawai'i. 'Ohana is a something highly valued here in Hawai'i and with good reason, that is our kahua, our foundation. In order to provide a good foundation for our own 'ohana and keiki I support this bill for the following reasons:

Zero employees in Hawai'i currently have the legal right to Paid Family Leave. 59% of families with children live paycheck to paycheck.

- 7 in 10 keiki have both married parents, or their single parent, in the workforce, leaving no full-time caregiver.
- Mothers with paid leave are 39% less likely to receive public assistance after the birth of a child than those without.
- About 40% of the workforce is providing care for older parents a figure that continues to increase.
- 8 states and the District of Colombia have passed paid family leave laws.

What Paid Family Leave could look like in Hawai'i

- All businesses and employees covered
- 16 weeks of leave
- Workers restored to the same position
- Progressive wage replacement: Those who earn less than half of the average weekly wage would receive 90% of their weekly earnings, while middle-income to higher-income workers would receive 50-75% of their weekly earnings, with a weekly cap.

Qualifying reasons for leave:

• Welcoming a new child (biological, adopted, or foster)

- Caring for a sick family member or handling own illness/health emergency. *Family includes child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner.*
- Employees that have been victims/their family members have been victims of domestic or sexual violence

Paid Family Leave supports family well-being and the economy

Health

- PFL is associated with a 20% decrease in infant mortality
- The availability of family leave insurance benefits leads to increased rates of breastfeeding, which has been shown to have long-term health benefits.
- Increases health equity among different racial and socioeconomic groups
- KÅ «puna deserve high quality care and currently there are not enough licensed care homes/ care home workers to care for the fast growing population of kÅ «puna here

Economic Security

- Women who take paid parental leave and return to work are 39% less likely to receive public assistance and 40% less likely to receive food stamps than women who do not take paid leave and return to work.
- Women are the primary or co-breadwinners for almost two- thirds of families in the U.S., so a woman's income lost during maternity leave has significant economic impact on her entire family.
- In Hawaii, the majority of families are "working families" who cannot afford to take unpaid leave long enough to cover their caretaking needs—paid family leave alleviates economic instability for struggling families by ensuring job security.

Business Impact

- Family leave insurance helps increase worker retention and loyalty. Workers who have access to family leave benefits are more likely to return to work after their leave is over
- A shared cost (employer/employee), state-run insurance fund, is an affordable solution that takes the burden off small businesses to provide leave and helps them compete against big corporation competitors.

Paid Family Leave is affordable for employers and employees

An actuarial analysis using a simulation model to study the use and cost of family leave insurance for Hawaii found that the annual cost to cover sixteen weeks of leave for a worker making \$48,000 would be around \$58, averaging out to cost about \$1.11 per week.

Funding: 50/50 employer/employee cost split. Employers should have the option of covering the entire insurance premium (estimated to be around \$5/ month for the average worker under a social insurance model), but employers may require employees to contribute up to 50% of the premium cost.

<u>SCR-98</u>

Submitted on: 4/5/2021 1:25:23 PM Testimony for LAT on 4/6/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Becky Gardner	Individual	Support	No

Comments:

I strongly support this measure. As its text explains, this legislature initiated a study in 2018, the report of which was provided in 2019. It is now 2021, and it's time to get to work on the recommendations provided by that study. If this body isn't ready to pass a paid family leave law, then a pilot project is the next, most logical and feasible step.

I think it's also really good policy to encourage ALL workforce members to consider taking time to care for loved ones in need. It's far too easy to assume the women in our families will take on this burden, as it is the way it has always been. While the testimony makes clear how unfair and financially contraining this is to an entire gender, it's important to appreciate the benefits of caretaking. Paid family leave might help to shift this imbalance.

I have personally needed to take almost 2 years - cumulatively, and unpaid - out of my professional life as a licensed attorney to take care of both my children and my terminally ill mother and grandmother. The financial loss for my family was very hard - and would have been impossible had I been a single parent, as is apparant to me now. (The impact on single parents/children of those needing caretaking is yet another important reason for this PFL.)

However, I need to say that being a caregiver has given me treasured life experiences. For most of my life, I had chased academic and professional achievements, as we are all encouraged to do to be a "success". But my time caring for my dying mother and grandmother, and new-to-life newborns - has enabled me to grow and connect with my loved ones in ways I never would have had I stayed so focused on measures of 'traditional' success.

We should all be encouraged to serve in caretaking roles. It is good for the soul. For many, they might need the financial incentive to engage in this important work if their gender-prescribed role does not otherwise thrust this responsibility onto them.

The public is obviously in strong support of paid family leave - as can be seen by the consistent, strong, coordinated, and vocal advocacy over the years that lean heavily on our lawmakers to do something to relieve Hawaii's working caregivers.

If we need to be patient, and crawl there, so be it. It's a pace - and process - that caregivers know all too well.