



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
Senate Committee on Economic Development and Tourism

Thursday, January 30, 2025
1:00 PM
State Capitol, Conference Room 229

In consideration of
SB981
**RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.**

Chair DeCoite, Vice Chair Wakai and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) supports the intent and offers **comments** on SB981, which requires the Research and Economic Analysis Division of DBEDT to study the impacts of the Act 114, Session Laws of Hawai'i 2022, minimum wage increases on businesses and other employers.

DBEDT realizes the importance of studying the impact of minimum wage increases in Hawai'i and would study two minimum wage increases; the first from \$10.10 in 2018 to \$12 in 2022 and the second to \$14 in 2024. The impact of further increases to \$16 in 2026 and \$18 in 2028 would not be covered. The study would be conducted by using available historical data and collecting data through surveys of Hawaii businesses.

We estimate the cost would be \$200,000 to conduct the survey and prepare the report. DBEDT would need a few months before the project could be contracted due to fiscal requirements and procurement rules and, therefore, we request an extension of the study submission to June 30, 2026. Thank you for the opportunity to testify.



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TO: Committee on Economic Development and Tourism

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: January 30, 2025

TIME: 1pm

RE: SB981 Relating to the Department of Business Economic Development and Tourism

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in support of this measure. As we know Hawaii has one of the most challenging businesses climates in the country. We face the obstacles of geographic isolation, high prices for labor, real estate, energy, and other things.

We believe that understanding how different forces impact our businesses and our economic climate is essential for making informed decisions in the future. Data from the study outlined in this measure can help guide policy that will lead to a stronger, more diverse economy for our state.

We encourage the Committee to pass this measure and we thank you for the opportunity to testify.