



HAWAI‘I CIVIL RIGHTS COMMISSION **KOMIKINA PONO KIWILA O HAWAI‘I**

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Wednesday, April 1, 2026 2:00 p.m.
Conference Room 329 & Videoconference
State Capitol, 415 South Beretania Street

To:

[COMMITTEE ON CONSUMER PROTECTION & COMMERCE](#)

Rep. Scot Z. Matayoshi, Chair

Rep. Tina Nakada Grandinetti, Vice Chair

From: Alphonso Braggs, Chair

and Commissioners of the Hawai‘i Civil Rights Commission

Re: SB2386 SD1 HD1 Relating to EMPLOYMENT EARNINGS
Testimony in SUPPORT with COMMENTS requesting Amendment

The Hawai‘i Civil Rights Commission (HCRC) carries out the Hawai‘i constitutional mandate that no person shall be discriminated against in the exercise of their civil rights. Art. I, Sec. 5. HCRC has enforcement jurisdiction over Hawai‘i’s laws prohibiting discrimination in employment (Chapter 378, Part I, HRS), housing (Chapter 515, HRS), public accommodations (Chapter 489, HRS), and access to state and state-funded services (HRS § 368-1.5).

Thank you for the opportunity to testify on SB2386 SD1 HD1, which amends HRS §378-2.8 to clarify job listing disclosure requirements and adjust the exemption threshold for small employers. We support SB2386 SD1 HD1 because it helps make clear that all types of employers are covered and is another step toward pay equity in Hawai‘i, however, we respectfully request amending SB2386 SD1 HD1 to eliminate the exemption for employers with more than 25 employees. Hawai‘i’s nondiscrimination laws found in Chapter 378 applies to

employers with one or more employees, and amending SB2386 SD1 HD1 would be more consistent with Hawai'i's fair employment laws and the Hawai'i Constitution.

Pay inequity hits hardest in groups that already face barriers: women, especially Native Hawaiian, Pacific Islander, and Filipina women; people of color; workers in rural areas, where small employers dominate; workers in low-wage industries, where pay secrecy is common; and anyone who lacks bargaining power, including young workers and immigrants. But the truth is that everyone is affected. When unfair pay is allowed to continue, it drags down wages across entire industries, normalizes secrecy, and creates a culture where discrimination can hide.

The Hawai'i State Constitution contains one of the strongest equal rights provisions in the country. Article I, Section 5 states: "**No person** shall be denied the equal protection of the laws." This is a broad, affirmative guarantee. It does not say "only in workplaces with more than 25 employees." It says **no person**.

The HCRC supports SB2386 SD1 HD1 as a step toward clarity, but believes amending SB2386 SD1 HD1 to eliminate the exemption for employers with fewer than 25 employees better reflects Hawai'i's long-standing commitment to fairness. Hawai'i's anti-discrimination law in HRS Chapter 378 applies to employers with one or more employee. This shows the Legislature's belief that civil rights protections should not depend on the size of the employer. SB2386 SD1 HD1, on the other hand, would exempt employers with fewer than 25 employees from salary disclosure requirements. This would leave a large number of workers without the transparency needed to identify or challenge unfair pay practices. It would also affect many women, minorities, and people in rural communities where small employers are the norm. Salary transparency is one of the most effective tools we have to close pay gaps and ensure that

compensation is based on merit and job-related factors.

Pay equity is about equal protection. If two people do the same work, the law should protect their right to be paid fairly. When pay equity laws exclude workers in small workplaces, they carve out a constitutional right based on employer size. That is inconsistent with Hawai'i's constitutional commitment to equality. Hawai'i's Constitution also includes Article I, Section 3, which protects equal rights regardless of sex. Pay discrimination is one of the clearest and most measurable forms of sex-based inequality. Ensuring pay equity is one of the most direct ways to fulfill this constitutional mandate. Pay equity and pay transparency are essential for making sure people are paid fairly for the work they do. When pay practices are open and easy to understand, it becomes much harder for unfair differences to take root. This helps prevent hidden disparities, builds trust, and gives employees the information they need to make informed decisions. In a state with a high cost of living like Hawai'i, fair pay is not just a workplace issue. It is a matter of basic economic security for families.

For these reasons, **we respectfully urge the Committee to amend SB2386 SD1 HD1 to eliminate the exemption for employers with fewer than 25 employees.** Pay transparency should not apply only to employers with more than 50 or 25 employees when other civil rights protections in Hawai'i apply to all employees.

Thank you for the opportunity to testify.

SB-2386-HD-1

Submitted on: 3/31/2026 12:38:18 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Llasmín Chaine	Hawaii State Commission on the Status of Women	Support	In Person

Comments:

The Hawaii State Commission on the Status of Women is dedicated to advancing gender equity and economic justice across the state. The Commission supports SB2386 SD1 HD1 because pay transparency is a proven tool in addressing persistent wage gaps that disproportionately affect women. By requiring additional employers to disclose hourly rates or salary ranges in multiple types of job listings, this bill takes a meaningful step toward fairer and more equitable workplaces in Hawaii, giving more workers access to essential compensation information.

Requiring wage disclosure in all job postings, aligns with best practices for promoting pay equity and reducing information asymmetry in the hiring process. Research and experiences from other jurisdictions indicate that transparent pay practices can help reduce wage disparities and empower applicants to negotiate from an informed position. The removal of the exemption for employers with fewer than fifty employees is particularly important, as many women in Hawaii work for small businesses, and excluding these employers would perpetuate inequities. Clear wage information streamlines the recruitment process, and makes it more efficient, by setting clear expectations for both employers and applicants.

We respectfully urge this Committee to pass SB2386 SD1 HD1.

Thank you for this opportunity to submit testimony.



To: Hawaii State House Committee on Consumer Protection + Commerce

RE: Testimony in SUPPORT of SB2386 SD1 HD1 Relating to Employment Earnings

Dear Chair Matayoshi, Vice Chair Grandinetti, and members of the Committee,

The members of AAUW of Hawai'i thank you for hearing this measure. We support SB2386 SD1, a measure which would require employers to disclose wage ranges on job listings; exempting employers having fewer than 25 employees, rather than 50. **We request that you amend SB2386 SD1 HD1 to remove the exemption for employers having fewer than 25 employees.** All employees deserve pay transparency and pay transparency is good for all businesses. According to DBEDT¹, about a third of Hawai'i's workforce work for businesses with fewer than 25 employees.

Pay transparency is one of the best employment practices according to a study by Payscale² and 82% of U.S. workers are more likely to consider applying for a job if pay range is included in the job posting according to a study by Society of Human Resource Management³. This bill with the requested amendment would make the best employment practice available to all employers and employees. This bill can make Hawai'i a leader in the area of pay equity.

- Research shows that workers stay longer and are more productive, when working for companies which treat them with dignity.
- A recent Harvard-Berkeley study showed that pay inequality decreased worker attendance, cooperation, and output.⁴
- Being up front about wages saves businesses time so that they are not interviewing candidates that will eventually turn them down. In addition to fairness, this is also about efficiency.⁵
- Salary ranges help employers including small businesses control their pay expenses and ensure pay equity among employees. It is critical that employers have rational explanations for why they pay their employees a certain rate, and defined salary ranges help accomplish that.⁶

¹ https://files.hawaii.gov/dbedt/economic/data_reports/DLIR/LFR_OCEW_ES2024FIRM.pdf

² <https://www.forbes.com/sites/josiec Cox/2024/03/20/pay-transparency-is-a-best-practice-in-corporate-america-study-finds/>

³ <https://www.shrm.org/topics-tools/news/all-things-work/pay-transparency-equity>

⁴ Emily Breza, Supreet Kaur & Yogita Shamdasanani 2016 "The Morale Effects of Pay Inequality," *NBER Working Papers*, National Bureau of Economic Research

⁵ Glassdoor, "Is Salary Transparency More Than a Trend", https://www.glassdoor.com/research/app/uploads/sites/2/2015/04/GD_Report_2.pdf

⁶ Society for Human Resource Management, "How to Establish Salary Range", <https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/howtoestablishsalaryranges.aspx>

Please pass this measure with no exemption so pay transparency, one of best employment practices, can be a reality for all employees in Hawai'i. Thank you for your consideration.

Sincerely,
Younghee Overly
AAUW of Hawai'i Public Policy Committee

The American Association of University Women (AAUW) of Hawai'i is an all-volunteer, statewide chapter of a national organization with close to 4000 members and supporters across all four counties - Hawai'i, Honolulu, Kaua'i, and Maui. AAUW has state chapters in all 50 states and our mission is to advance gender equity through education and advocacy. Economic security for women is our goal.



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NFIB.com

March 31, 2026

TO: Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair
Members of the House Committee on Consumer
Protection & Commerce
Thirty-Third Legislature, Regular Session of 2026

FR: Michael Iosua, State Director
NFIB, Hawaii Chapter

RE: **OPPOSITION TO SB 2386, SD1, HD1 – RELATING TO EMPLOYMENT EARNINGS**

Hearing date: April 1, 2026, at 2:00 PM

Aloha Chair Matayoshi, Vice Chair Grandinetti and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NFIB's Hawaii Chapter in **OPPOSITION** to SB 2386, SD1, HD1 – RELATING TO EMPLOYMENT EARNINGS. NFIB is a nonprofit, nonpartisan, and member-driven organization exclusively dedicated to small and independent businesses. With members in all four counties, NFIB's Hawaii chapter advocates on issues that affect Hawaii's small and independent business owners.

SB 2386, SD1 would amend HRS § 378-2.8 by removing the current exemption for businesses with fewer than fifty employees from the disclosure of compensation in job listings. This exemption that exists in current law acknowledges the limited administrative capacity of small businesses and the disproportionate cost that compliance imposes on enterprises with constrained resources.

Small businesses in Hawaii already face significant operational challenges, including high costs of doing business, tariffs and tight labor markets. Unlike other employers, many small businesses do not have dedicated HR departments or legal staff to manage an ever-expanding set of employment law requirements. The added obligation to document and update wage and salary ranges for every job posting, coupled with the risk of enforcement actions for errors, represents a substantial administrative burden and potential liability for small businesses. What

may appear to be a simple disclosure requirement necessitates the development and ongoing maintenance of formal compensation frameworks, systems for regular review of pay structures, and additional staff time and professional services — all of which carry costs that directly impact small businesses.

These burdens translate into higher compliance costs, additional time away from core business functions, and increased exposure to enforcement penalties. Particularly in Hawaii's tight labor market, small businesses compete for talent without the economies of scale enjoyed by larger employers. Mandating detailed pay disclosures for employers that are not equipped to comply will discourage hiring and remove the opportunity to grow the business. Some small businesses may choose to reduce staffing, refrain from creating new positions, or in the worst cases, shut down entirely rather than navigate an expanded regulatory landscape.

The current exemption for employers with fewer than 50 employees is a sensible balance between promoting transparency and recognizing the capacity limitations of small enterprises. For these reasons, we respectfully urge the Committee to defer SB 2386, SD1, HD1 and help to protect small businesses.

Mahalo for your consideration.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 329
WEDNESDAY, APRIL 1, 2026 AT 2:00 P.M.**

To The Honorable Representative Scot Z. Matayoshi, Chair
The Honorable Representative Tina Nakada Grandinetti, Vice Chair
Members of the Committee on Consumer Protection & Commerce

OPPOSE SB2386 SD1 HD1 RELATING TO EMPLOYMENT EARNINGS

The Maui Chamber of Commerce opposes SB2386 SD1 HD1 that requires job listings to include an hourly rate or salary range. While we understand the intent of this bill to remove the exemption, we are concerned that it will have unintended negative consequences for small businesses.

In hiring, businesses often need flexibility in pay ranges so they can negotiate compensation packages and make adjustments based on skill level and previous experience, neither of which you have prior to posting the job.

Additionally, it may reduce the number of job seekers an employer could receive as pay ranges alone do not account for benefits, job perks, and company culture, as well as hinder job seekers applying for positions that may provide valuable experience and opportunities for promotion and advancement.

Given workforce shortages and changing worker priorities, we already see many employers posting their pay and salary ranges up front and prior to scheduling interviews, but understand why others do not.

Mahalo for the opportunity to provide testimony on SB2386 SD1 HD1.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



**House Committee on Consumer Protection & Commerce
Rep. Scot Matayoshi, Chair
Rep. Tina Grandinetti, Vice Chair**

Wednesday, April 1, 2026, at 2:00 pm

RE: SB 2386, SD1, HD1, Relating to Employment Earnings

Aloha Chair Matayoshi, Vice Chair Grandinetti and Members of the Committee:

The Society for Human Resource Management – Hawaii (“SHRM Hawaii”) hereby provides comments on SB 2386, SD1, HD1, Relating to Employment Earnings.

SHRM Hawaii supports transparency and equitable pay practices. We note that lowering the existing exemption for employers with fewer than 50 employees to those with 25 employees may create operational and compliance burdens for small and mid-sized organizations. Many smaller employers in Hawai‘i do not have dedicated compensation analysts or in-house legal counsel; instead, HR responsibilities are often handled by a single professional—or even a business owner—managing multiple functions. Requiring formalized salary ranges for every full-time, part-time, temporary, or seasonal position demands technical compensation analysis, ongoing market benchmarking, and frequent updates that are resource-intensive and costly. For small employers already navigating Hawai‘i’s high cost of doing business, this mandate may be impractical and, in some cases, unworkable.

In addition, smaller organizations typically rely on flexible compensation structures that account for experience, specialized skills, and evolving business needs. Unlike large corporations with standardized pay bands, small employers must often tailor compensation to attract niche talent in a highly competitive labor market. Mandating rigid pre-disclosed salary ranges could inadvertently limit that flexibility, discourage negotiation, and reduce an employer’s ability to respond quickly to market conditions. It may also create employee relations challenges if ranges are misinterpreted without the broader context of total rewards, including bonuses, commissions, benefits, housing stipends, or other non-wage compensation that are particularly relevant in Hawai‘i’s unique economic environment.

Thank you for this opportunity to provide comments on this measure.

Erin Kogen and Maggie Batangan
Co-chairs, SHRM Hawaii Legislative Affairs Committee



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



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
SB2386 SD1 HD1 – Relating To Employment Earnings
House Committee on Consumer Protection & Commerce
Wednesday, April 1, 2026, at 2:00 PM, Conference Room 329 & Videoconference

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

Thank you for the opportunity to present testimony in **strong support** of Senate Bill 2386 and to encourage the committee to strengthen the measure by applying its protection to all workers, regardless of the size of the company at which they are employed.

This bill strengthens Hawai'i's pay transparency law by clarifying that the requirement to disclose hourly rates or salary ranges applies to all types of employment—full-time, part-time, temporary, or seasonal. This bill also expands the number of employers subject to the disclosure requirement by lowering the exemption threshold from 50 employees to 25. We respectfully request the committee consider removing the exemption entirely.

Doing so would impose no burdensome new obligations. It would simply require that information all employers, regardless of company size, already possess be shared with job applicants—the salary range they are willing to pay for a position.

Other states with similar requirements have seen smooth implementation and broad compliance. The evidence from those states shows that transparency laws narrow wage gaps, improve worker mobility, and strengthen labor market function.

The Wage Gap in Hawai'i: Stubborn and Costly

Despite progress in recent decades, significant wage disparities persist in Hawai'i. According to the U.S. Bureau of Labor Statistics, Hawai'i women had median usual weekly earnings of \$797 in 2018, or just 82.6 percent of the \$965 median earnings of their male counterparts.¹ In 2023, the Bureau of Labor Statistics reported women in Hawai'i earned 82.4 percent of what men earned (\$902 vs. \$1,095).² For 2024, updated estimates place the ratio at approximately 87 percent (\$987 for women vs. \$1,138 for men).³

This is not simply a plateau; it is a backslide. Hawai'i women's earnings relative to men peaked

¹ "Highlights of women's earnings in 2018," U.S. Bureau of Labor Statistics, November 2019, <https://www.bls.gov/opub/reports/womens-earnings/2018/home.htm>

² Bureau of Labor Statistics, "Women's Earnings in Hawaii — 2023," October 17, 2024. [https://www.bls.gov/regions/west/news-release/womensearnings_hawaii.htm#:~:text=In%202023%2C%20Hawaii%20women%20who.chart%201%20and%20table%201.\)](https://www.bls.gov/regions/west/news-release/womensearnings_hawaii.htm#:~:text=In%202023%2C%20Hawaii%20women%20who.chart%201%20and%20table%201.))

³ USA Facts, "What is the current gender pay gap in Hawaii?" Retrieved February 18, 2026. <https://usafacts.org/answers/what-is-the-gender-pay-gap-in-the-us/state/hawaii/>

at 92.8 percent in 2014 and have since fallen by more than five percentage points.⁴ Whatever progress we thought we were making is anything but consistent, and wage opacity is a significant part of the problem.

The Human and Economic Costs Are Staggering

These disparities are not abstract numbers; they represent real dollars stolen from families who can least afford to lose them. Our analysis of what equal pay would mean for Hawai'i's working women reveals profound impacts:

- **Poverty reduction:** If women earned the same pay as comparable men, the poverty rate among working women in Hawai'i would decrease by more than half—from 5.4 percent to just 2.5 percent.⁵
- **Single mothers:** The poverty rate for families headed by working single mothers would drop by close to half, from 21.3 percent to 10.7 percent.⁶
- **Working mothers:** More than 61 percent of working mothers would see increased earnings.⁷
- **Children:** The poverty rate among children of working mothers would fall by more than half, from 10.9 percent to 4.5 percent.⁸

These are not marginal improvements. They are transformative changes that would lift thousands of Hawai'i families out of poverty, reduce reliance on public assistance, and strengthen the economic security of communities across the state.

Why Transparency Matters

Pay transparency is a proven mechanism for addressing wage disparities. When compensation is hidden, disparities can persist unnoticed and unchallenged. Workers negotiating in the dark cannot know whether they are being offered fair wages. Women and people of color, who have historically been disadvantaged in wage negotiations, are disproportionately harmed by this information asymmetry.

SB2386 addresses this by requiring employers with 25 or more employees to disclose salary ranges in job listings. This simple requirement:

- Empowers workers with information they need to negotiate from a position of knowledge.
- Exposes disparities that might otherwise remain hidden.
- Creates accountability for employers to justify their compensation practices.
- Accelerates progress toward closing wage gaps.

⁴ "Highlights of women's earnings in 2014," U.S. Bureau of Labor Statistics, November 2015, <https://www.bls.gov/opub/reports/womens-earnings/archive/highlights-of-womens-earnings-in-2014.pdf>

⁵ "The Economic Impact of Equal Pay by State," Institute for Women's Policy Research, February 2015, <https://statusofwomendata.org/wp-content/uploads/2015/02/C457.pdf>

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

Closing the Exemption Gap

Current law exempts employers with fewer than 50 employees from salary range disclosure requirements. This exemption is not justified by evidence or equity. Small businesses employ a significant portion of Hawai'i's workforce, and workers in those jobs deserve the same access to information as workers at large corporations. Wage disparities are not confined to large employers, and neither should transparency requirements.

SB2386 lowers the threshold for this exemption—but does not completely eliminate it. This means that many job seekers in Hawai'i will be forced to continue to contend with opacity in the job seeking process that can have serious repercussions for both their compensation and dignity.

The wage gap in Hawai'i is not inevitable. It is the result of policies and practices—including wage secrecy—that allow disparities to persist. SB2386 addresses one of the root causes of that gap and takes a meaningful step toward a fairer economy. However, it does not go far enough. We strongly encourage the committee to take the critical step of protecting all Hawai'i workers from the harm caused by wage opacity.

When women earn equal pay, poverty falls. When single mothers can support their families, children thrive. When workers have information, they have power. And when transparency is the rule, disparities are harder to hide.

We urge this committee to pass SB2386 with amendments to extend the promise of pay transparency to every worker in Hawai'i.

Mahalo for the opportunity to testify.



Fujiwara & Rosenbaum, L.L.L.C.

*Alahea Corporate Tower
1100 Alahea St., Fl. 20, Suite B
Honolulu, Hawaii 96813*

House Committee on Consumer Protection & Commerce

Date: Wednesday, April 1, 2026, 2:00PM, Conf. Rm. 329

Re: Fujiwara & Rosenbaum Testimony on **S.B. No. 2386, S.D.1, H.D. 1, Relating to Employment Earnings in SUPPORT with AMENDMENTS**

Chair Matayoshi, Vice-Chair Grandinetti, and Members of the Committee:

Fujiwara & Rosenbaum, L.L.L.C., respectfully submits this testimony in support of S.B. No. 2386, S.D. 1, H.D.1, which would clarify that pay disclosure requirements apply to full-time, part-time, temporary, and seasonal employment, and would reduce the employer exemption threshold from fifty to twenty-five employees. While we support the bill's direction, we urge this Committee to amend S.B. No. 2386, S.D. 1, H.D.1, **remove the employer size exemption entirely and to set a meaningful effective date.** Our firm has spent nearly forty years advocating for the civil rights of workers throughout Hawai'i. Our extensive experience litigating employment discrimination claims under HRS Chapter 378 provides us with a unique perspective on the importance of statutory consistency within Hawai'i's civil rights framework.

I. THE S.D. 1 AMENDMENTS REPRESENT PARTIAL PROGRESS

A. Clarification of Job Categories

We commend the Committee on Labor and Technology for clarifying that pay disclosure requirements apply to "full-time, part-time, temporary, and seasonal employment." This language provides needed clarity for employers and ensures coverage across all job categories.

B. The Reduced Exemption Threshold Is Insufficient

While S.B. No. 2386 reduces the exemption threshold from fifty to twenty-five employees, this change does not go far enough. The Committee on Labor and Technology correctly found that "pay inequity is a prominent problem in the workforce that leads to wages being dragged down and the normalization of secrecy regarding compensation." The Committee further found that "a significant portion of businesses in the State were exempt due to having fewer than fifty employees."

Lowering the threshold to twenty-five employees addresses only part of this problem. Workers at employers with twenty-four or fewer employees will still lack the pay transparency protections afforded to workers at larger employers. This creates a two-tiered system that is inconsistent with Hawai'i's civil rights framework.

II. THE EXEMPTION SHOULD BE ELIMINATED ENTIRELY

A. Statutory Consistency Requires Universal Coverage

HRS § 378-2.8 remains the only provision in Part I of Chapter 378 that carves out small employers from coverage. Every other anti-discrimination protection in Chapter 378 applies to all employers with one or more employees:

- The prohibition on discriminatory practices (HRS § 378-2) applies to all employers.
- The prohibition of nondisclosure agreements in sexual harassment or sexual assault cases (HRS § 378-2.2) applies to all employers.
- The equal pay protections (HRS § 378-2.3) apply to all employers.

- The salary history ban (HRS § 378-2.4) applies to all employers.
- The fair-chance hiring provisions (HRS § 378-2.5) apply to all employers.

These protections did not require employer size thresholds. The Legislature recognized that civil rights protections should apply universally. The same principle should apply to pay transparency.

B. The Hawai'i Supreme Court Supports Universal Employer Coverage

In *Sam Teague, Ltd. v. Hawai'i Civil Rights Commission*, 89 Haw. 269, 971 P.2d 1104 (1999), the Hawai'i Supreme Court recognized that the Legislature "intended all employers, regardless of size, to be subject to the provisions of this chapter." Maintaining any employer size exemption contradicts this legislative intent.

C. Wage Disparities Are Harming Workers Now

Every day that passes without universal pay transparency is another day that discriminatory pay practices remain hidden from view. Workers in Hawai'i continue to face wage disparities based on race, sex, disability, age, and national origin.

Women in Hawai'i earn approximately 83 cents for every dollar earned by men. Native Hawaiian and Pacific Islander workers face significant wage gaps compared to their white counterparts. Workers with disabilities earn substantially less than workers without disabilities. Older workers are often offered lower salaries based on assumptions about their needs or productivity.

Pay transparency is one of the most effective tools for identifying and eliminating discriminatory pay practices. When job seekers know the expected salary range before applying, they can make informed decisions. When workers can compare their compensation to posted ranges for similar positions, they can identify potential discrimination. When employers must disclose salary ranges, they are incentivized to ensure their compensation practices are fair and defensible.

D. Delay Perpetuates Existing Inequities

A worker who accepts a position without knowing the salary range may start at a lower wage than similarly situated colleagues. That initial disparity follows the worker throughout their career, affecting raises, promotions, and retirement savings. Studies consistently show that early-career wage gaps grow larger over time.

For workers at small employers, where a significant portion of Hawai'i's workforce is employed, this harm has been ongoing since HRS § 378-2.8 took effect on January 1, 2024. More than two years have passed with these workers denied the pay transparency protections afforded to workers at larger employers. Every additional day of delay extends this inequity.

III. THE EFFECTIVE DATE MUST BE CHANGED

The placeholder effective date of July 1, 3000, was inserted "to encourage further discussion." Hawai'i workers cannot wait 974 years for pay transparency protections that should have applied to all employers from the beginning.

HRS § 368-1 declares that "the practice of discrimination because of race, color, religion, age, sex, including gender identity or expression, sexual orientation, marital status, national origin, ancestry, or disability in employment... is against public policy." This declaration is a mandate. When the Legislature identifies a gap in civil rights protection, it should act to close that gap promptly.

We respectfully urge the Committee to amend S.B. No. 2386, S.D. 1, H.D.1, to provide an effective date of January 1, 2027. This date provides employers with adequate time to update their job posting practices while ensuring that workers receive these protections without undue delay.

The pay transparency requirement is not burdensome. Employers already determine salary ranges when budgeting for positions and making offers. The requirement simply asks employers to share this information with job seekers at the outset of the application process. Employers with fifty or more employees have been complying with this requirement since January 2024; there is no reason smaller employers cannot do the same.

IV. CONCLUSION

Fujiwara & Rosenbaum has seen firsthand how discriminatory pay practices harm workers and their families. Pay transparency is an essential tool for identifying and eliminating these practices.

We urge this Committee to amend S.B. No. 2386, S.D. 1, H.D.1, to:

1. **Remove the employer size exemption entirely**, aligning HRS § 378-2.8 with the definition of "employer" in HRS § 378-1 and with every other provision in Part I of Chapter 378; and
2. **Amend the effective date to January 1, 2027**, ensuring that workers receive these protections without further delay.

Workers at small employers have waited long enough. Pay disparities based on race, sex, disability, age, and national origin continue to harm Hawai'i families every day. The time for universal pay transparency is now.

Thank you for this opportunity to testify.



March 31, 2026

Representative Scot Z. Matayoshi, Chair
Representative Tina Nakada Grandinetti, Vice Chair
Committee on Consumer Protection and Commerce

Re: S.B. 2386 SD1 HD1, Relating to Employment Earnings

Hearing: Wednesday, April 1, 2026, 2:00 PM, Conference Room 329 & Videoconference

Dear Chair Matayoshi, Vice Chair Grandinetti, and the Members of the Committee on Consumer Protection and Commerce:

Hawaii Women Lawyers is a lawyer's trade organization that aims to improve the lives and careers of women in all aspects of the legal profession, influence the future of the legal profession, and enhance the status of women and promote equal opportunities for all.

Hawaii Women Lawyers submits testimony in support of S.B. 2386 SD1 HD1, which expands Hawaii's existing pay transparency framework by requiring employers to disclose salary ranges or hourly rates for full-time, part-time, temporary, and seasonal roles, and narrowing a small business exemption to employers with fewer than 25 employees.

Pay transparency is a critical tool in addressing persistent wage disparities, which disproportionately impact women. According to the University of Hawaii Economic Research Organization, women in Hawaii earn 86 cents for every dollar earned by men.¹ Hawaii's gender pay gap persists across occupations and at every level of educational attainment.

Expanding the pay disclosure requirement would provide Hawaii workers with greater clarity and confidence about compensation. The National Women's Law Center found that pay transparency helps to reduce the gender pay gap by providing applicants with information to make more informed decisions about jobs and encouraging employers to proactively evaluate compensation practices.²

We recognize that S.B. 2386 SD1 HD1 would lower the small business exemption threshold to employers with fewer than 25 employees. While we do not take a position on the appropriate number for the small business exemption, we support this bill generally because

¹ RACHEL INAFUKU, UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION, EXPLORING THE GENDER PAY GAP IN HAWAII`I 1 (2024), <https://uhero.hawaii.edu/wp-content/uploads/2024/05/ExploringGenderPayGapInHawaii.pdf>.

² NATIONAL WOMEN'S LAW CENTER, PAY RANGE TRANSPARENCY IS CRITICAL FOR DRIVING PAY EQUITY (2024), <https://nwlc.org/wp-content/uploads/2024/03/Pay-Range-Transparency-2024v2.pdf>

greater pay transparency leads to more equitable compensation and stronger economic security for workers.

For the above reasons, we support S.B. 2386 SD1 HD1 and respectfully request that the Committee pass this measure.

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

LATE

SB-2386-HD-1

Submitted on: 3/31/2026 9:49:37 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann S Freed	Hawai`i State Democratic Women`s Caucus	Support	Written Testimony Only

Comments:

Aloha Chair Matayoshi, Vice Chair Grandinetti and members,

Although we would prefer that all those who employ our precious workforce be subject to full disclosure of salary ranges, this bill represents a step in the right direction.

Therefore we are in strong support of this measure.

Mahalo, Ann S. Freed Co-Chair, Hawai`i State Democratic Women's Caucus

SB-2386-HD-1

Submitted on: 3/30/2026 4:54:43 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sandy Ma	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the House Consumer Protection & Commerce Committee,

I am a member of AAUW of Hawai‘i. I am testifying in support of SB 2386, SD1, HD1, clarifying that the requirement to disclose hourly rates or salary ranges on job listings applies to full-time, part-time, temporary, or seasonal employment and exempting employers having fewer than twenty-five employees, rather than fifty, from the disclosure requirement.

In 2023, Hawai‘i adopted a pay transparency bill which required employers with fifty or more employees to make wage range information available in job listings. Unfortunately, even with the 2023 legislation, we still currently see in Hawai‘i the gender pay gap continuing. Women working full-time in Hawai‘i earned 87.54% of what men earned in 2023 (<https://www.aauw.org/resources/article/gender-pay-gap-by-state/>) and the gender pay gap is present in 74% of jobs in Hawai‘i (<https://manoa.hawaii.edu/news/article.php?aId=13272>). While SB 2386, SD1, HD1 will require employers with 25 or more employees (versus employers with 50 or more employees in the 2023 legislation) to practice pay transparency, this will not be sufficient to end this disparity. 20% of the Hawai‘i workforce work for businesses with 19 or fewer employees. See https://files.hawaii.gov/dbedt/economic/data_reports/DLIR/LFR_QCEW_ES2024FIRM.pdf.

Therefore, I respectfully ask you to amend SB 2386, SD1, HD1 to cover all Hawai‘i employers regardless of size. Gender pay gap penalizes all households in Hawai‘i, as many households rely on the paychecks of more than one household member. Gender pay gap penalizes children excessively, because many children reside in female-headed households. Please amend SB 2386, SD1, HD1 so that all employers must practice pay transparency and pass SB 2386, SD1, HD1 out of your Committee. Mahalo!

Sandy Ma

SB-2386-HD-1

Submitted on: 3/30/2026 5:41:09 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I am writing in **support** of SB2386, which strengthens Hawai‘i’s pay transparency law by clarifying that the requirement to disclose hourly rates or salary ranges applies to all types of employment—full-time, part-time, temporary, or seasonal. This bill also expands the number of employers subject to the disclosure requirement by lowering the exemption threshold from 50 employees to 25.

I support these changes, and I respectfully urge the committee to go even further: **make the disclosure requirement universal for all employers, regardless of size.**

Why Pay Transparency Matters

Pay transparency is not a niche issue. It is a fundamental tool for achieving pay equity, particularly for women and people of color who have historically been underpaid for the same work as their white male counterparts. When employers are required to disclose salary ranges upfront, it:

- **Eliminates wage gaps** by preventing employers from underpaying workers who lack negotiating power;
- **Saves time** for both employers and job seekers by ensuring that only candidates whose salary expectations align with the position apply;
- **Reduces discrimination** by making pay decisions transparent and subject to scrutiny;
- **Empowers workers** to make informed decisions about their careers and financial futures.

The current law, which exempts employers with fewer than 50 employees, leaves too many workers in the dark. Small businesses are a significant part of Hawai‘i’s economy, and their workers deserve the same transparency as those employed by larger corporations.

SB2386 lowers the exemption threshold from 50 employees to 25. This is a meaningful improvement. It brings more employers under the transparency requirement and provides salary information to more workers. I applaud this change.

But why stop at 25? The burden of disclosing a salary range is minimal. It requires no special software, no complex calculations, no additional staff. It is simply a matter of listing the pay

scale in a job posting—information that employers already possess and that job seekers desperately need.

If the requirement is not overly burdensome for an employer with 25 employees, it is also not overly burdensome for an employer with 10 employees, or five, or one. All prospective workers in all industries deserve this transparency, regardless of which company they end up working for.

The Case for Universal Application

States that have adopted pay transparency laws have overwhelmingly applied them to all employers, recognizing that pay equity is not a matter of company size. Colorado, California, Washington, and New York all require salary disclosure regardless of employer size. These states have not seen small businesses collapse under the weight of this "burden"—because it is not a burden. It is simply good business practice.

Hawai‘i has an opportunity to lead by making pay transparency universal. By extending the requirement to all employers, we send a clear message: pay equity is not optional. Transparency is not a privilege for workers at large companies. Every worker, whether they are applying for a position at a multinational corporation or a neighborhood small business, deserves to know what a job pays before they invest their time and energy in the application process.

I support SB2386 as a meaningful step forward. Lowering the exemption threshold from 50 to 25 will bring transparency to more workers and more workplaces. But I urge this committee to consider going further. Make the requirement universal. Let every job seeker in Hawai‘i know what a job pays before they apply. It is not overly burdensome, and it is the right thing to do.

Mahalo for the opportunity to testify.

SB-2386-HD-1

Submitted on: 3/30/2026 7:06:27 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendy Dame	Individual	Support	Written Testimony Only

Comments:

Pay transparency is good for all employees and employers regardless of the size of the business. Please remove the exemption for all employers as HB2367 does. It is critical that Hawaii increases pay transparency and decreases the pay inequity that now exists between the genders. Treating employees with dignity ensures increased job satisfaction and longevity on the job. And, it's the right thing to do!!

SB-2386-HD-1

Submitted on: 3/30/2026 9:24:44 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara J. Service	Individual	Support	Written Testimony Only

Comments:

Pay transparency is good for all employers and employees, regardless of the size of the company.

Mahalo for the opportunity to testify.

Barbara J. Service. MSW

Child Welfare Supervisor (ret.)

Passionate Kupuna advocate

SB-2386-HD-1

Submitted on: 3/30/2026 10:25:10 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Wurtzel	Individual	Support	Written Testimony Only

Comments:

I am writing, as an individual, in strong support of S.B.2386, S.D. 1, H.D. 1. The bill amends HRS 378-2.8, a fairly recent statute. The amendments increase the requirement to disclose hourly rates or salary ranges on job listings which apply to full-time, part-time, temporary, or seasonal employment, and lowers the exemption for employers having fewer than twenty-five employees, rather than fifty.

This bill extends the statute to more people, and will allow equal pay for a larger group. It gives job applicants more information when applying, to determine if the job is appropriate. This benefits employers as well as employees. Most importantly, pay transparency puts all applicants on equal footing. It helps prevent unfair pay practices, which are often based on discriminatory bases.

This measure will expand the current statute to ensure more fair compensation for all.

I hereby submit testimony in strong support of S.B. 2386, S.D. 1. H.D. 1

SB-2386-HD-1

Submitted on: 3/31/2026 7:34:46 AM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Annette Barr	Individual	Support	Written Testimony Only

Comments:

Pay transparency benefits employees as well as employers for all businesses

Hearing Date: Wednesday, April 1, 2026, 2:00 pm Room 329

**To: Committee on Consumer Protection & Commerce
Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair**

From: Jean Evans, (Individual)

**Re: TESTIMONY IN SUPPORT OF SB 2386, SD1, HD1 RELATING TO
EMPLOYMENT EARNINGS**

Dear Chair Matayoshi, Vice Chair Grandinetti and Committee members,

My name is Jean Evans. I retired after 40 years holding executive positions in Hawaii non-profit agencies. In these positions I have interviewed and hired hundreds of applicants. I am also a member of AAUW Hawaii.

I support of SB 2386, SD1, HD1 Relating to Employment Earnings

SB 2386, SD1, HD1 expands equal pay protections in Hawaii. It builds upon Act 203 that was passed in 2023, which requires employers with fifty (50) or more employees to make wage range information available in job listings. This measure expands that requirement down to companies with more than twenty-four (24) employees.

It is well documented that there remains a large gap in gender pay across the nation and in Hawaii where women earned only 87.54% of what men earned in 2023. This pay-gap hits women especially hard here in Hawaii with our notoriously high cost of living often making it very difficult to make ends meet.

While I support this next expansion step, I strongly urge you to go even further in ensuring pay transparency by not limiting this requirement to only companies with more than 24 employees, by entirely removing the limit and making this applicable for all employees.

According to DBED (Hawaii Department of Business, Economic Development and Tourism) 20% of workforce (or 159,113 workers) work for businesses with 19 or fewer employees. Many of these jobs are in the service and non-profit sectors. Non-profit agencies in Hawaii have historically offered low salaries which did not reflect the level of education, experience and responsibility associated with the positions. These agencies, which were predominately filled by females with a few male top executives, were seen as helping and giving organizations and so perpetuated the idea that the women should work for lower wages for the good of the community. Slowly this mind-set is changing to

reflect a more professional attitude toward the non-profit workforce. However, this change has been slow and contributes to the state-wide wage gap.

Over the years I have held two executive director positions in agencies with fewer than 24 employees here in Hawaii. When I applied for the first one, I had no idea of the salary range, or even if there was one. When I inquired about the salary I was told only that it was “flexible”. That response did not give me a clue as to what to expect. Only after being in that position, with a salary I thought fair, did I discover to my dismay and embarrassment that my predecessor’s salary was over **twice** what mine was. The offered salary amount seemed arbitrary and unfair and got me looking for positions elsewhere. This situation continues today.

As an executive seeking to hire qualified people, I interviewed many good candidates only to find out that their salary requirements were higher than I could offer. If I had been required to post the ranges I could have saved their time and mine. Based on the budget, I knew what the salary ranges were, but formally posting those was not the customary way recruitment was done. I realize now that compensation transparency would have helped me both as an employer and employee.

Employee turnover continues to be a problem in Hawaii, especially when unemployment is low. This bill, especially if it includes the modification I am suggesting to cover all employees, is an important step in reducing turnover by ensuring competitive salaries, equal treatment, and assisting employers to control their expenses with set pay ranges.

Employers always complain about new requirements. I certainly did, but I also found that most times what we really needed was a nudge to make the change and often found that the change resulted in improvements in efficiency, safety or fairness, and made good business sense.

Let Hawaii become a leader in the area of salary transparency by passing this legislation, with the recommended modification, as another step toward leveling salary discrepancies and retaining talented employees. I see this measure as a win for both employers and employees. I encourage your support for this bill.

Mahalo for allowing me to submit my testimony today.

SB-2386-HD-1

Submitted on: 3/31/2026 11:18:07 AM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amy Monk	Individual	Support	Written Testimony Only

Comments:

SB2386 SD1 HD1 provides for transparency in employment. In 1963, the Equal Pay Act required that men and women get equal pay for equal work. Over the next 6 decades, states have made incremental progress toward this goal. This bill takes another small step forward by providing pay transparency for full-time, part-time, temporary, or seasonal employment applicants, exempting only employers having fewer than twenty-five employees, rather than fifty, from the disclosure requirement.

Please pass SB2386 SD1 HD1. Thank you.

SB-2386-HD-1

Submitted on: 3/31/2026 11:37:24 AM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marcia A Armstrong	Individual	Support	Written Testimony Only

Comments:

Pay transparency is good for all employees and employers regardless of the size of the business. Please remove the exemption for all employers as HB2367 does.

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Scot Z. Matayoshi, Chair

Rep. Tina Nakada Grandinetti, Vice Chair

HEARING:

Wednesday, April 1, 2026 at 2:00 pm

Via Videoconference and Conference Room 329

TESTIMONY IN **SUPPORT** OF SB 2386, SD1, HD1 - RELATING TO EMPLOYMENT EARNINGS.

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

My name is Christine Andrews, and I live in Wailuku, Maui. I write to you today in **support of SB 2386, SD1, HD1**, Relating to Employment Earnings. I worked on gender equity in STEM as a workforce development for many years, and wrote over ten peer-reviewed papers on best practices in the field. I also owned a small business on Maui for over 23 years and understand that the outcomes intended by SB 2386, SD1, HD1 place no burden on employers, while benefiting employees and improving pay equity.

The goal of this bill is to establish Hawaii as a leader in the field of pay equity, as Hawaii has led the way in civil rights. The gender pay gap persists despite progress made in women's labor participation. Women working full-time in Hawai'i earned 87.54% of what men earned in 2023¹ and gender pay gap is present in 74% of jobs in Hawai'i². Hawai'i is considered as a state with moderate equal pay protection³. California, Colorado, Illinois, Maryland, Massachusetts, New Jersey, New York, Oregon, and Washington are considered as states with strong equal pay protection. While passage of Act 203 in 2023 was a big step towards ensuring pay equity, this bill in its original form would increase pay transparency for **all employers** and provide a strong equal pay protection with a minimal cost or disruption to employers. Therefore, I request that the changes in SD1 making it applicable to employers with 25 employees or more be amended back so that it applies to **all employers**.

While Act 203 of 2023 requires employers with fifty or more employees to make wage range information available in job listings to encourage pay equity, SB2386 in its original form builds upon this to require **all employers** to make wage range information available in job listings. Again, I respectfully request this Committee return SB 2386 to its original version and intention to apply to **all employers**.

Please consider the following research in support of this measure:

- Pay transparency has become a best practice according to a study by Payscale⁴
- Pay transparency required by Act 203 of 2023 doesn't help one-third of the workforce who work for businesses with 49 or fewer employees, according to DBEDT⁵
 - **20% of the workforce works for businesses with 19 or fewer employees which is why returning SB 2386 to its original form of applicability to ALL EMPLOYERS is especially important.**

¹ <https://www.aauw.org/resources/article/gender-pay-gap-by-state/>

² <https://manoa.hawaii.edu/news/article.php?ald=13272>

³ https://www.aauw.org/app/uploads/2020/10/SimpleTruth_States_2020update.pdf

⁴ <https://www.forbes.com/sites/josiecox/2024/03/20/pay-transparency-is-a-best-practice-in-corporate-america-study-finds/>

⁵ https://files.hawaii.gov/dbedt/economic/data_reports/DLIR/LFR_QCEW_ES2024FIRM.pdf

- 82% of U.S. workers are more likely to consider applying for a job if pay range is included in the job posting according to a study by Society of Human Resource Management⁶
- Research shows that workers stay longer and are more productive, when working for companies which treat them with dignity. A recent Harvard-Berkeley study showed that pay inequality decreased worker attendance, cooperation, and output.⁷
- **Being up front about wages saves businesses time so that they are not interviewing candidates that will eventually turn them down. In addition to fairness, this is also about efficiency.**⁸
- Salary ranges help employers control their pay expenses and ensure pay equity among employees. It is critical that employers have rational explanations for why they pay their employees a certain rate, and defined salary ranges help accomplish that.⁹
- Gender pay gap penalizes all households in Hawaii, since many households rely on the paychecks of more than one household member. Gender pay gap penalizes children excessively, because many children reside in female-headed households. If the \$11,067 annual gender pay gap is eliminated, a working woman in Hawaii would have enough money to purchase 6 months of rent, 10 months of healthcare premium, and 9.6 months of child care¹⁰.

Based upon my experience promoting best practices in equity, and as **a small business owner for over 23 years**, I ask that you **support SB 2386, SD1, HD1 by returning it to its original form with applicability to all employers**. Thank you for holding a hearing on this important measure.

Christine L. Andrews, J.D.
Wailuku, Maui

⁶ <https://www.shrm.org/topics-tools/news/all-things-work/pay-transparency-equity>

⁷ Emily Breza, Supreet Kaur & Yogita Shamdasanani 2016 "The Morale Effects of Pay Inequality," *NBER Working Papers*, National Bureau of Economic Research

⁸ Glassdoor, "Is Salary Transparency More Than a Trend",
https://www.glassdoor.com/research/app/uploads/sites/2/2015/04/GD_Report_2.pdf

⁹ Society for Human Resource Management, "How to Establish Salary Range",
<https://www.shrm.org/resourcesandtools/tools-and-samples/how-to-guides/pages/howtoestablishsalaryranges.aspx>

¹⁰ <https://nationalpartnership.org/report/wage-gap/>

SB-2386-HD-1

Submitted on: 3/31/2026 1:03:07 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leela Bilmes Goldstein	Individual	Support	Written Testimony Only

Comments:

Pay transparency is good for all employees and employers regardless of the size of the business. Please remove the exemption for all employers.

LATE

SB-2386-HD-1

Submitted on: 3/31/2026 2:45:07 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erika Cabell	Individual	Support	Written Testimony Only

Comments:

Pay transparency is good for all employees and employers regardless of the size of the business. Please remove the exemption for all employers as HB2367 does.

LATE

SB-2386-HD-1

Submitted on: 3/31/2026 9:12:58 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth Anderson	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 2386 because pay transparency is good for all employees and employers regardless of the size of the business. Disclosing hourly rates or salary listings on job listings increases employee satisfaction and helps the economy, so it only makes sense to support SB2386.