



February 8, 2016

TESTIMONY: Written only

To: The Honorable Suzanne Chun Oakland, Chair
The Honorable Gil Riviere, Vice Chair
Members of the Senate Committee on Human Services

From: **Hawaii Public Health Association**

Subject: **SUPPORT – 2961 RELATING TO FAMILY LEAVE**

Hearing: February 9, 2016 at 1:15pm at State Capitol Room 016

The Hawaii Public Health Association (HPHA) is an association of over 600 community members, public health professionals, and organizations statewide dedicated to improving public health. HPHA also serves as a voice for public health professionals and as a repository for information about public health in the Pacific.

HPHA supports the passage of SB 2961 which establishes a family leave insurance program.

SB 2961 proposes 12 weeks of paid leave that is employee funded with universal coverage to all employees in the State of Hawaii. Paid leave will accomplish two goals: (1) care for a child or sick family member; and (2) prevent financial hardship and emotional duress.

Currently, the federal Family Medical Leave Act (FMLA) allows unpaid leave with job protection up to 12 weeks for employers with 50 or more employees. However, the Hawaii Family Leave Act only applies to employers with 100 or more employees and allows for job protection for up to 4 weeks. Only 2% of companies in Hawaii and 16% of the workforce are protected by the Hawaii FMLA. Furthermore, a limited number of Hawaii workers can actually take advantage of FMLA, due to the impact of lost wages and risk of job loss.

Workers with a newborn infant or young child, or those with a sick family member face a difficult decision between taking unpaid leave to provide family member care and experiencing financial loss over employment. This action can cause further financial burden to families who are already in a precarious household financial state. Due to the high cost of living in Hawaii, the financial struggle is underscored

by the state of income sufficiency, or the income needed to meet basic needs (including taxes) without public subsidy.

In 2014, the average hourly wage of all Hawaii occupations was \$22.23. This is lower than what is needed to be income sufficient in Hawaii. A 2014 analysis of income sufficiency in Hawaii showed (1) a single adult with one preschooler can be self-sufficient with an hourly wage of \$27.46 or 278.8% above the state minimum wage level, and 220.6% above the federal poverty threshold; (2) a single adult with one preschooler and one school-age child has to earn \$33.38 an hour to be self-sufficient, or 360.4% above state minimum wage level and 209.7% above the federal poverty threshold for Hawaii; and (3) a two-adult couple with one preschooler and one school-age child has to earn a combined hourly wage of \$37.76 (or \$18.88 each on average) to have income sufficiency. This is 160.4% above the state minimum wage level and 190.7% above federal poverty threshold for Hawaii.

Many families in Hawaii are currently struggling to cover basic living expenses. Taking leave without pay places income insufficient families in a difficult position. More than 240,000 employees currently serve as primary caregivers to family members, and by 2020, an estimated 40 percent of the workforce will provide care for older relatives.

Thank you for the opportunity to testify in support of **SB 2961**. Paid family leave is a proactive policy for Hawaii's families; SB 2961 Paid Family Leave would apply to all employees in the state.

Respectfully submitted,

Hoce Kalkas, MPH
HPHA Legislative and Government Relations Committee Chair