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Testimony to the House Committees on Labor and Public Employment  
Tuesday, January 31, 2012  
9:00 a.m.  
State Capitol - Conference Room 309

RE: HOUSE BILL NO. 2089 RELATING TO HEALTH

Aloha Chair Rhoads, Vice Chair Yamashita, and members of the committees. We are Ryan Kusumoto and Lisa Kracher, the Legislative Committee co-chairs for the Society for Human Resource Management – Hawaii Chapter (“SHRM Hawaii”). SHRM Hawaii represents nearly 1,000 human resource professionals in the State of Hawaii.

We are writing to respectfully oppose HB 2089 which requires employers to provide paid sick and safe leave to employees and imposes penalties for failure to provide meal breaks.

Human resource professionals are keenly attuned to the needs of employers and employees. We are the frontline professionals responsible for businesses’ most valuable asset: human capital. We truly have our employers’ and employees’ interests at heart. We respectfully oppose this measure for the significant implementation challenges and administrative burden it would impose and for the potential for unintended consequences and costs.

Our most significant concerns are as follows:

1. The administrative challenges and increased time requirements to implement, track, and maintain records for the sick and safe leave especially where such leave may be taken intermittently.
2. Although this bill does not displace any existing, more generous leave policy, it fails to define or provide guidance as to what constitutes “more generous.” There is no employer currently offering the same levels of proposed safe or sick leave given the proposed definitions.



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

For example, under this bill “sick” leave shall include additional kinds of paid leave not currently available at most employers, such as time spent caring for a family member. This would effectively constitute paid FMLA leave.

3. This bill creates a legal presumption of retaliation if a company disciplines or discharges a worker within 90 days after an employee takes such leave. Because the leave may be taken incrementally, an employee could take leave frequently throughout the year and the 90 day time period shielding employees from discipline or discharge would never run.
4. The bill prohibits an employer from requiring documentation of the need for leave if the employee takes the leave in blocks of less than 3 consecutive days.
5. The anticipated costs associated with providing sick and safe leave in this challenging economy. This will be felt most by small businesses who can anticipate approximately \$1,000 per year per employee, and an employer of 10 or more, more than twice that. Larger employers will effectively be paying the cost of one more worker for every 30 they currently employ. Also consider the cost on the State Government at a time when the State's budget is stretched to its limit. This does not include the additional cost of administration.

We continue to review this bill and, if it advances, request to be a part of the dialog concerning it. Thank you for the opportunity to testify.



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