



HAWAII WORKERS CENTER

Defending and Respecting the workers of
Hawaii'i

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January 31, 2023

Hawaii State Senate
Committee on Labor and Technology
Senator Sharon Y. Moriwaki, Chair
Senator Chris Lee, Vice Chair

Executive
Committee of the
Board

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Board Chair

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Tony Doroño

Sergio Alcubilla III,
Esq.

RE: STRONGLY OPPOSE S.B. 125

Dear Chair Sen. Moriwaki, Vice-Chair Lee, and Members of the Committee on Labor and Technology:

The Hawaii Workers Center envisions a Hawaii in which all workers are empowered to exercise their right to organize for their social, economic and political well-being. It is a resource of information, education, training and organizing for Hawaii's workers.

The Hawaii Workers Center provides workshops on workers' rights, health and safety, and protection from wage theft, labor trafficking, abuse and harassment and other workplace hazards and issues. It also provides referrals to various health, housing, immigration-related and legal resources.

The Hawaii Workers Center stands in strong opposition to S.B. 125 that seeks to increase the tip penalty to 20% of the state's minimum wage. As it stands, this bill will reduce the amount of take-home pay for workers at a time when working families are struggling to keep up with Hawaii's high costs of living. Tipped workers should not be financially subsidizing their employers by asking them to pay 20% of the minimum wage back. We should not be carving out an exemption to favor one industry over another in who is required to pay workers the minimum wage.

While we celebrate the increase in the state minimum wage to finally allow working families and individuals to cope with Hawaii's high costs of living, the work remains unfinished with the existence of the sub-minimum wage. S.B. 125 is a step in the WRONG direction. This bill wants to take more money away from hard working individuals at a time when we need all the help we can get to keep up.

There are currently 7 states in the nation that believe in providing their residents the full-minimum wage. These states have higher restaurant job growth rates, small business growth rates, and tipping averages than states that offer a sub-minimum wage while also having half the rate of sexual harassment in the restaurant industry. It's time we treat ALL workers with the respect and dignity we all deserve. Let's stop penalizing tipped workers and finally eliminate the tip penalty, not increase it.

We ask that you please OPPOSE S.B. 125 and support Hawaii's working families instead.

Sincerely,

Sergio J. Alcubilla
Executive Director