



Defending and Respecting the workers of Hawai'i (503) WORKERS ☎ (503) 967- 5377 ☎ hawaiiworkerscenter@gmail.com ∞ hawaiiworkerscenter.org &

January 31, 2023

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

**RE: STRONG SUPPORT for S.B. 270** 

Committee of the Board Rev. Sam Domingo

Executive

Board Chair Mary Ochs

Vice President

Dr. Arcelita Imasa Secretary

> John Witeck Treasurer

## **Board Members**

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Robyn Conboy

Co-Executive Directors

Tony Doroño Sergio Alcubilla III, Esq. 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 support of S.B. 270 to finally eliminate the tip penalty here in Hawaii. The tip penalty deducts from workers' pay by reducing the amount of the minimum wage paid to tipped employees in order to benefit the employer. Thus, we have in essence, a sub-minimum wage where employees are being tasked with the responsibility of financially subsidizing their employers.

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. While S.B. 270 seeks to implement a phased elimination of the tip penalty, rather than the more ideal immediate elimination, it is still an important step in the right direction. This bill will allow more workers to keep more of their hard earned money.

There are currently 7 states in the nation that believe in providing their residents the fullminimum 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.

We ask that you please support S.B. 270 and support Hawaii's working families.

Sincerely.

Sergio J. Alcubilla Executive Director