

April 2, 2022

Chair Donovan M. Dela Cruz
Vice-Chair Gilbert S.C. Keith-Agaran
Senate Committee on Ways & Means
Tuesday, April 5, 2022
10:15 AM
Conference Room 221



RE: **Strong Support of HD2510 HD2 SD2 - Raising Minimum Wage**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran & Committee Members,

The Chamber of Sustainable Commerce, representing business owners from across the state who believe we can strengthen our economy without hurting employees, communities and the environment, supports HD2510 HD2 SD1, which will gradually raise the state minimum wage to \$18/hour and remove the tip-penalty by 2026.

According to the April 4, 2016, Washington Post article titled, "Leaked Documents Show Strong Business Support For Raising The Minimum Wage", a survey of 1000 business owners conducted by a republican pollster showed that "80 percent of respondents said they supported raising their state's minimum wage, while only eight percent opposed it." These data points countered the misrepresentations made to lawmakers across the country by Chamber of Commerce leaders opposing efforts to raise the minimum wage.

Economists have long debunked the Reagan-era, "trickle-down" theory that these misguided Chamber leaders continue to peddle to lawmakers. In contrast, more recently, we all witnessed the Trump administration successfully deploying "trickle-up" economics by giving an additional \$600 to Hawaii's unemployed, which contributed to the current billion dollar surplus in our state budget.

Whether we give the unemployed a universal basic income or allow our state's lowest-wage workers an opportunity to earn something more than poverty-wages, the health of our Hawaii's general-excise-tax economy relies on people spending on local goods and services. Minimum-wage earners do a better job circulating money locally than those who profit off paying workers poverty-wages.

Kauai employer Joell Edwards explains, "I already pay substantially above the minimum-wage, this would force the national box stores like Walmart to pay local workers more; the more workers earn the more discretionary spending they have to support my business and a lot of other small businesses in our community."

Today, Walmart in Sunnyvale, California, is already required to pay a minimum-wage of \$17.10/hour. When these national corporations are allowed to pay Hawaii workers poverty-wages of \$10.10/hour, causing working families to slip into homelessness, Hawaii taxpayers end up funding the social safety nets these families rely on. We are basically subsidizing the profit margins of these large, national corporations. This is not fair; we can do better - for workers, locally-owned businesses and our state's economy.

Hawaii Legislative Council	Kim Coco Iwamoto AQuA Rentals, LLC Honolulu	Elle Cochran Maui Surfboards Maui	Russel Ruderman Island Naturals Hilo / Kona	Joell Edwards Wainiha Country Market Kauai	Maile Meyer Na Mea Hawaii Honolulu
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