

PROMOTION

THE CHAMBER OF COMMERCE OF HAWAII **VOICE OF BUSINESS**

August 2007

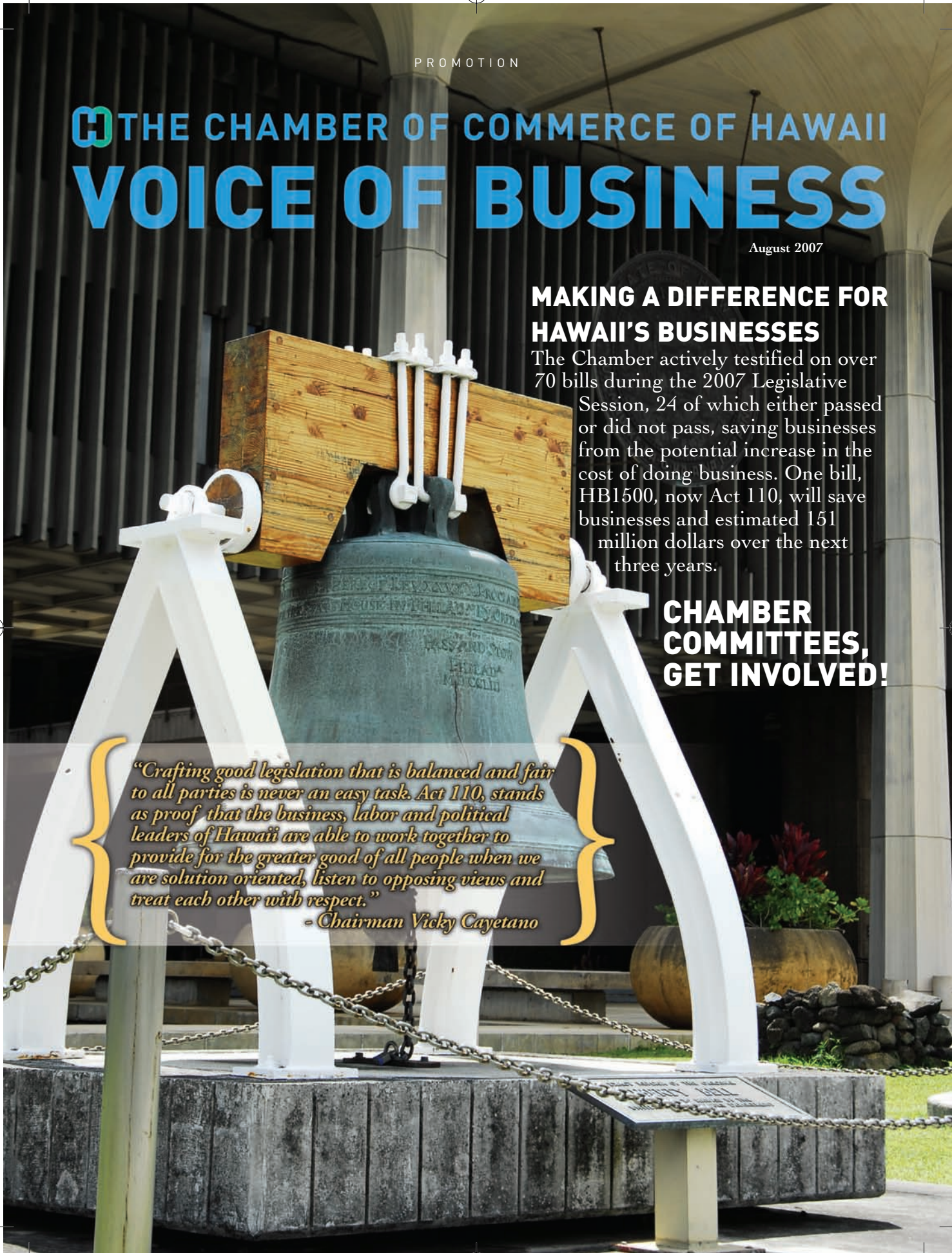
MAKING A DIFFERENCE FOR HAWAII'S BUSINESSES

The Chamber actively testified on over 70 bills during the 2007 Legislative Session, 24 of which either passed or did not pass, saving businesses from the potential increase in the cost of doing business. One bill, HB1500, now Act 110, will save businesses and estimated 151 million dollars over the next three years.

CHAMBER COMMITTEES, GET INVOLVED!

"Crafting good legislation that is balanced and fair to all parties is never an easy task. Act 110, stands as proof that the business, labor and political leaders of Hawaii are able to work together to provide for the greater good of all people when we are solution oriented, listen to opposing views and treat each other with respect."

- Chairman Vicky Cayetano





In April 2007, The Chamber held a press conference regarding its support of HB 1500 (now Act 110) to thank legislators and labor unions for the collaborative efforts that went into establishing a balanced bill, beneficial for business and labor. From left, Representative Kirk Caldwell, Representative Jon Riki Karamatsu; Speaker Calvin Say; Chamber Board Chairman Vicky Cayetano; Senator Clayton Hee; Representative Alex Sonson; Chamber President & CEO Jim Tollefson; Retail Merchants of Hawaii President Carol Pregill, Chamber Vice President Business Advocacy/Govt. Affairs Sherry Menor.

CRAFTING LEGISLATION THAT IS BALANCED AND FAIR TO ALL PARTIES IS NEVER AN EASY TASK, BUT IT IS POSSIBLE THROUGH COLLABORATION

Vicky Cayetano, President, United Laundry Services, Inc., and 2006 - 2007 Chairman of The Chamber of Commerce of Hawaii



The headline, "\$151 million tax cut now law," (Honolulu Advertiser, June 4, 2007) was good news for the business community. But the equally important story that was not mentioned is that Act 110, which will lower the taxable wage base used to calculate what employers pay for unemployment insurance, while increasing the benefits for unemployed workers for a three year period -- is a classic example of what can be accomplished when the parties to any issue engage each other with respect for the other's point of view and are open to reasonable compromise. Sadly, this has not always been the case between business, labor and the legislature in the past.

Because of past disappointments, a good number of people told me that The Chamber of Commerce of Hawaii

was wasting its time in seeking reform of the unemployment insurance trust because the legislature was not empathetic to the concerns of business and the labor unions would oppose it.

With a surplus of 540 million dollars in the unemployment insurance trust reserve and the state unemployment rate one of the lowest in the nation, however, The Chamber owed it to its membership of more than 1,100 businesses representing more than 200,000 employees throughout our state to try.

Thus, Act 110 (aka HB 1500) was set as the number one priority of The Chamber's legislative agenda. After years of failing to persuade the legislature to reform unemployment benefits, The Chamber finally succeeded. As Chairperson of The Chamber, I took part in many of the

interactions and discussions which moved the bill forward. In the end, I believe that the process was one that many businesses could learn much from, as I did.

Crafting good legislation that is balanced and fair to all parties is never an easy task, but Representative Robert Nakasone managed to do just that with HB 1500. Nakasone, who is a small business owner having operated a painting company on Maui for nearly twenty years, has a vast and impressive understanding of how the unemployment insurance law works and took the time to patiently explain its nuances to me, Chamber President Jim Tollefson and our staff.

Senator Clayton Hee and Representative Alex Sonson, the then respective chairs of the Senate and House Committees on Labor, played



In April 2007, the Chamber held a "Walk Around" at the State Capital to provide members the opportunity to meet with their Legislators and discuss important business bills. Numerous Chamber members, local businesses and neighbor island and regional chamber members participated.



key roles in moving the bill forward. Senator Hee and Representative Sonson were new chairmen and they demonstrated a refreshing open mindness to listening to our concerns.

The legislative process can seem like a bewildering maze to a lay person like me and throughout the legislative session, Senator Hee and Representative Sonson provided the steady hands needed to help us get the bill through the both houses of the legislature.

And contrary to popular belief, our legislators work hard. During critical moments of the bill's progress, I was pleased to be able to contact and discuss it with senators and representatives who I discovered were still


working late into the night and on weekends at their offices.

Finally, I was pleasantly surprised how willing key leaders of the public and private sector labor unions were to meet with Chamber representatives and discuss the concerns and issues of their membership. We listened to their concerns and tried to understand their point of view. They responded in kind.

Businesses that recognize the importance of fairness and respect for all parties will have a better success record at the capital. Legislators have been elected to serve all the people of Hawaii and by and large they attempt to bring a balanced perspective to everything they do.

Act 110 will save businesses an estimated \$151 million dollars over the next three years. As one business advocate said, "not too shabby in the

world of business".

It stands as proof that the business, labor and political leaders of Hawaii are able to work together to provide for the greater good of all people when we are solution oriented, listen to opposing views and treat each other with respect. 



The Chamber of Commerce of Hawaii is the **VOICE OF BUSINESS** for the State of Hawaii

PRIORITY ISSUES

The Chamber works on behalf of members and the entire business community to improve the state's economic climate and to help businesses thrive.

The Chamber's priorities for the 2007 Legislative Session were:

- SUPPORT legislation that will provide unemployment insurance tax relief to employers
- SUPPORT the Chamber's application for a Grant-In-Aid to support the Military Affairs Committee
- SUPPORT legislation that alleviates the harbor space shortage crisis
- SUPPORT legislation that improves access to Hawaii's healthcare system and the quality of healthcare, addresses rising health insurance/delivery costs, and finds solutions to long term care concerns/planning/finding

HB 1500, HB 104, SB 1672, HB 250 were some of the bills that addressed the Chamber's priority issues, and that the Chamber actively tracked and testified on throughout the legislative session. All bills passed the legislature and HB 1500, HB 104, and HB 250 were signed into law.

HB 104 Relating to Health


Description: Appropriates funds for the State's portion of the federal disproportionate share hospital allowance. (HB104 CD1)

Chamber Position: SUPPORT. The Chamber supports legislation that will improve payments to health care providers of essential health care services and alleviate the shortage of long term care capacity and access to acute care beds statewide. Adequate reimbursement is the first step in the right direction to ameliorate the current state of health care in Hawaii

Status: Act 131 (Effective July 1, 2007)

HB 250 Relating to Aloha Tower Development Corporation

Description: Establishes a formal partnership between the Aloha Tower Development Corporation and the Department of Transportation Harbors Division for the development of Honolulu Harbor infrastructure projects on an expedited basis to meet the critical demand for harbor expansion and upgrades. (HB250 CD1)

Chamber Position: SUPPORT. The Aloha Tower Development Corporation's development oriented experience provides business expertise to the Harbors Division, which focuses primarily on the daily management and operations of the State's commercial harbors. The combination of both parties' roles and experience will promote more effective and efficient planning of the port facilities and harbors. 

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