



## The Senate

STATE CAPITOL  
HONOLULU, HAWAII 96813

October 8, 2020

The Honorable David Y. Ige  
Governor, State of Hawaii  
Executive Chambers  
State Capitol  
Honolulu, HI 96813

Dear Governor Ige:

RE: Tiered Furloughs & Unemployment Assistance

As we have discussed previously, our Committee, as well as many others throughout the state, have grave concerns with the plans for a ten percent furlough of state employees. As we are sure you are aware, many of our state employees live paycheck to paycheck and cannot reasonably endure a ten percent cut in their salaries. To be frank, your reluctance to entertain the idea of a tiered furlough approach has left many of us perplexed. This Committee is far more interested in equity for our state employees and provide for your consideration potential scenarios that we believe to be far more equitable than what is currently being planned.

With the budgetary information currently available, we calculate that a ten percent furlough will save the state approximately \$333.3M per year. By instituting a simple tiered furlough of twenty percent for employees making over \$100K, and ten percent for employees making \$50-100K, we can avoid furloughing any employee making less than \$50K a year. This scenario would save the state \$336.1M per year and apply the furloughs to those that might be in a better position to absorb the cuts.

Additionally, a twenty percent furlough of employees making over \$100K, a ten percent cut for employees making \$73-100K, and a five percent furlough for employees making \$30-60K would allow us to avoid a furlough of any employee making less than \$30K. This scenario would save the state \$333.8M per year.

While we understand aggressive furloughs for our highest-paid employees would become necessary, we believe it to be the responsible choice given the circumstances. We also trust that what we have presented could be improved if given some attention by your administration. Our state employees deserve your administration's greatest efforts in this area.

As with our state workers, the unemployed of this state also deserve your considered attention. In our September 8 letter to you, we asked for your consideration for the utilization of \$19.6 million of CARES

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Act funds for two proposed DLIR training program initiatives. These programs would immediately help current jobless find new employment and provide relief to individuals prior to the exhaustion of their unemployment assistance payments. Many of the then 180,000 unemployed are still waiting to return to work, but as you well know, the havoc COVID-19 has wreaked on our economy means that many of these businesses will not return. Based on the urgency of the need and the fast-approaching deadline for the use of CARES Act funding, this Committee asks that you provide the status and outcome of your discussions with the DLIR Director to retrain and place our displaced unemployed.

While finding employment for our jobless is our priority, we appreciate your \$500 Restaurant Card Program, which provides immediate relief to the unemployed and customers for our restaurants. Reports indicate that these cards will be sent to the unemployed. This Committee requests more details as to eligibility and limitations of use, if any, to address questions raised by the public.

The Committee requests that you provide the requested information by **4:00 pm, Tuesday, October 13, 2020**. Please email your response to all Senate Special Committee COVID-19 members. Should you have any questions, please contact Duncan Osorio at 586-6800 or via email at [d.osorio@capitol.hawaii.gov](mailto:d.osorio@capitol.hawaii.gov).

Sincerely,

Senator Donovan M. Dela Cruz  
Senator Jarrett Keohokalole  
Senator Michelle N. Kidani  
Senator Donna Mercado Kim  
Senator Sharon Moriwaki  
Senator Kurt Fevella

Cc: Senate President