



March 12, 2026

Dawn Szewczyk, Chair
Honolulu Charter Commission

Re: Testimony on Proposal P024 (Wage Standards)

My name is Brian Black. I am Executive Director of Public First Law Center, a nonprofit that promotes government transparency. I write in **support** of proposal P024, concerning wage standards.

Proposal P024 would amend the Charter to require that City Council create City-specific wage standards with assistance from the Salary Commission.¹ Some prior testimony has raised concerns about whether the City can create its own wage standard. Those concerns have no basis in law. The real question behind this proposal is whether Honolulu residents believe City government should set a minimum wage.

First, the City has broad authority to adopt any ordinance that does not conflict with state law. *E.g.*, HRS § 46-1.5(13). The same relationship exists between state and federal law. Federal law sets a “minimum” wage. 29 U.S.C. § 206. Because federal law does not set a cap on wages, state law sets its own “minimum” wage. HRS § 387-2. As a consequence, because state law does not set a cap on wages, the City can set its own wage standard.

In fact, when the Legislature first considered a wage standard, it debated having a wage ceiling. The Senate proposed the creation of an entity that would set wages within a range (“which in no case shall be less than the rate prescribed in section 3(a)(1), nor more than forty cents (40¢) an hour”). 1941 Senate Journal at 149-51 (“it was decided to reinsert the ceiling to the minimum wage”). The Legislature ultimately rejected that idea in the final act.² 1941 Haw. Spec. Sess. Laws Act 66 at 179-86.

¹ As the entity that assesses reasonable wage standards (for certain government officials), the Salary Commission’s expertise seemed relevant, but is not necessary.

² When it introduced the first minimum wage bill, the Senate set a guidepost that could be a north star even today. “[The wage board recommends the rate] as nearly adequate as is economically feasible to maintain the minimum standard of living necessary for the health, efficiency and general well-being of workers.” S.B. 30 § 6(c), 21st Leg., Spec. Sess. (Terr. 1941).

Dawn Szewczyk, Chair
March 12, 2026
Page 2

Thus, a City-specific wage standard would not be preempted by state law.³

Second, as drafted, the proposal provides significant leeway for the City Council in crafting the wage standard. For example, there can be legitimate preemption concerns with the City imposing a minimum wage on the federal or state government as an employer. The proposal does not require the City to do that and expressly carves out such potential concerns by providing that the wage standard may only be imposed “[t]o the extent permitted by law.”

The proposal also does not dictate anything about the scope of the wage standard. City Council would decide how it applies. How is the wage set? Does it apply to employers with fewer than 15 employees? Is there a tip credit? Those and many other questions are left to City Council because the standard only applies “as provided by ordinance.”

In the end, affordability in Honolulu is a multi-faceted issue. City government has many potential tools to address the issue. The proposal would allow the electorate to say whether a wage standard is a tool that the City should be using to make Honolulu more affordable for residents simply trying to survive.

Thank you for the opportunity to testify in support of proposal P024.

³ In 2002, the Department of the Corporation Counsel came to the same conclusion that a general wage standard would not be preempted by state wage laws. Feb. 15, 2002 Letter to Councilmember Romy M. Cachola regarding Living Wage Legislation at 12.