

STAND. COM. REP. NO.

687

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 760
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 760 entitled:

"A BILL FOR AN ACT RELATING TO A LIVING WAGE FOR WORKERS ON
SERVICE CONTRACTS,"

begs leave to report as follows:

The purpose of this bill is to ensure that workers providing services under service contracts funded by the State are paid at least a wage that provides an annual income equivalent to the current annual federal poverty guideline for Hawaii for a family of four. The bill also requires that contracts subject to the wage requirements contain certain provisions allowing the organizing of employees.

The Hawaii State AFL-CIO, Oahu County Committee, Democratic Party of Hawaii, supported this bill. The Department of Labor and Industrial Relations opposed this measure. The Arc in Hawaii commented on this bill.

Your Committee recognizes concerns that this measure might negatively affect the ability of nonprofits to provide essential services to the poorest and most vulnerable members of our community. Accordingly, your Committee has amended this bill to provide that nonprofits are subject only to the current thresholds under the service contract wage, hour, and working condition law, which applies to contracts exceeding \$25,000, and requires

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workers' wages to be not less than those paid to public officers and employees for similar work.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 760, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 760, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



