

HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO  
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February 2, 2008

Honorable Representative Alex Sonson, Chair  
Honorable Representative Bob Nakasone, Vice Chair  
Members of the House Committee on Labor & Public Employment  
Hawaii State Capital  
415 South Beretania Street  
Honolulu, HI 96813

RE: IN SUPPORT OF HB 2927  
RELATING TO PUBLIC WORKS  
Hearing: Tuesday, February 5, 2008, 8:30 a.m.

Dear Chair Sonson, Vice Chair Nakasone and the House Committee on Labor & Public Employment:

For the Record my name is Buzz Hong the Executive Director for the Hawaii Building & Construction Trades Council, AFL-CIO. Our Council is comprised of 16-construction unions and a membership of 26,000 statewide.

This bill is the result of a joint effort with the Department of Labor and Industrial Relations, General Contractors' Association, Building Industry Association, and this Council in addition to the Laborers Union Local 368 and other trade unions. This Council supports the passage of HB2927, which amends public works law to require 3-year suspension for any government contractor that delays an investigation or falsifies records.

Thank you for the opportunity to submit this testimony in support of HB2927.

Sincerely,

William "Buzz" Hong  
Executive Director

WBH/dg

**BIA-HAWAII**  
BUILDING INDUSTRY ASSOCIATION

February 5, 2008  
Committee on Labor & Public Employment Hearing  
8:30 a.m.  
Room 309

**TESTIMONY SUPPORTING HB 2927 “RELATING TO PUBLIC WORKS”**

Chair Sonson and Members of the Committee on Labor & Public Employment:

I am Karen Nakamura, Chief Executive Officer of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Thank you for the opportunity to express our support for HB 2927.

**BIA- Hawaii strongly SUPPORTS HB 2927 “Relating to Public Works”.**

The provisions of HB 2927 address the issue of prevailing wages that must be paid on all public works projects. HB 2927 is modeled after a bill drafted by the Department of Labor & Industrial Relations after months of discussions between the DLIR, the unions of the Building Trades Council (including the Laborers, the Plumbers, the Operating Engineers, the Ironworkers Union, and Elevator Operators), and construction contractor organizations. HB 2927 is the result of the consensus among all of the organizations and will assist the DLIR with overcoming the delays in their investigations because of falsification of records or interference in turning over records to them. We request that this bill be passed.

During the interim, this group, known as the Ad Hoc Committee, met to discuss the issues and concerns revolving around HB 853, a bill that would have treated inadvertent errors in classification, payment, and record keeping by a contractor in the same manner as willful violation of the law. The Ad Hoc Committee determined that the so-called “three-strikes” bill (HB 853) would have done nothing to help the DLIR to resolve the delays in investigation of Chapter 104 violations. The Ad Hoc Committee agreed that the route of HB 853 was not the way to go, but rather to help the DLIR with their backlog of cases and to also give the DLIR even more reasons to go after the bad contractors with the language that is in HB 2927, and in a similar bill, HB 3165.

February 4, 2008

**TO: House Committee on Labor & Public Works (Rep. Alex M. Sonson, Chair)**

**FROM: Karl F. Borgstrom, President, on behalf of Associated Builders and Contractors, Hawaii**

**RE: Testimony in Support of HB 2927, Relating to Public Works**

The amendment proposed to Section 104-25, Hawaii Revised Statutes, with regard to the suspension of contractors has the support of the Associated Builders and Contractors, Hawaii, on behalf of its 115 member companies and their employees throughout the State of Hawaii.

The bill would authorize the director to immediately suspend a contractor for interference with or delay of an investigation of falsification of records pursuant to section 104-25 for a mandatory three-year period.

While we recognized the need for penalties assigned to acts constituting falsification of records, the association initially had a concern with this proposed bill due to the lack of definition of what would constitute an "interference with or delay of" an investigation. In discussions with the DLIR we have been assured that any such finding of interference or delay would be based on a specific response or inaction by the contractor being investigated, such as failure to respond to a subpoena, rather than a subjective determination that might be inconsistently applied and enforced. With that clarification, the association supports this bill.

Thank you for your consideration; should the need arise, ABC Hawaii will respond to any requests of the Committee for additional information regarding this matter.