

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

February 5, 2008

Senate Committee on Tourism and Government Operations

1:15 P.M.

Conference Room 229

TESTIMONY IN STRONG SUPPORT OF SB 3087 "RELATING TO CONTRACTOR SUSPENSION ON PUBLIC WORKS PROJECTS"

Senator Nishihara and Members of the Committee on Tourism and Government Operations:

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.

BIA-Hawaii strongly supports SB 3087 "Relating to Contractor Suspension on Public Works Projects"

The provisions of SB 3087 address the issue of prevailing wages that must be paid on all public works projects. SB 3087 was drafted by the Department of Labor & Industrial Relations (DLIR) 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. SB 3087 is the result of the consensus among all of the organizations (known as the Ad Hoc Committee) 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 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 we should 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 SB 3087.

Thank you for the opportunity to share our views with you.