

STAND. COM. REP. NO. 1210

Honolulu, Hawaii

March 25, 2009

RE: S.B. No. 1181
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 1181, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO LABOR,"

begs leave to report as follows:

The purpose of this bill is to obtain better information and ensure payment of fringe benefits on public works projects by requiring that:

- (1) A certified copy of a fringe benefit reporting form supplied by the Department of Labor and Industrial Relations (DLIR) be submitted weekly to a governmental contracting agency for review; and
- (2) Fringe benefit reporting forms contain an itemized list of fringe benefit costs paid for each employee by the general contractor or subcontractor.

The Hawaii Operating Engineers Industry Stabilization Fund, Laborers' International Union of North America Local 368, General Contractors Association of Hawaii, Hawaii Carpenters Union, and a concerned individual testified in support of this bill. DLIR did not support this measure.

Currently, proving that fringe benefit wages were not paid is difficult for an employee as there is no itemized listing of

SB1181 HD1 HSCR LAB HMS 2009-3263



payments of fringe wages on payroll records. By requiring the itemization of these payments, compliance with rules regarding the payment of fringe benefits will be ensured.

Your Committee has amended this bill by:

- (1) Stipulating that the fringe benefit reporting form may be provided by, or approved for use by, DLIR rather than requiring DLIR to supply the form;
- (2) Changing its effective date to July 1, 2010; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1181, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1181, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,

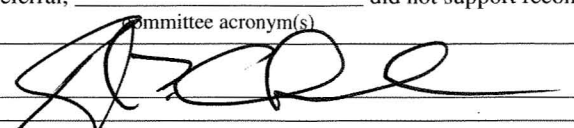


KARL RHOADS, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 1181 SD2	Committee Referral: LAB, FIN	Date: 3-20-05		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. AWANA, Karen Leinani		✓		
5. HANOHANO, Faye P.	/			
6. KEITH-AGARAN, Gilbert S.C.	/			
7. LEE, Marilyn B.	/			
8. NAKASHIMA, Mark M.	/			
9. SAIKI, Scott K.	/			
10. SOUKI, Joseph M.				✓
11. TAKUMI, Roy M.	/			
12. PINE, Kymberly Marcos		✓		
TOTAL (12)	9	2	-	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				