

Honolulu, Hawaii  
Feb 23, 2010

RE: H.B. No. 2897

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2897 entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

begs leave to report as follows:

The purpose of this bill is to subject a contractor to revocation or suspension of a license for knowingly or intentionally employing a person who is not eligible to work in the United States under federal law to perform work on any project or operation.

The Hawaii Laborers' Union; Hawaii Building & Construction Trades Council, AFL-CIO; and Pacific Resource Partnership supported this bill. The Hawaii Civil Rights Commission and Contractors License Board offered comments.

Although most businesses follow the laws and rules governing their industries with regard to employment of individuals who are ineligible for employment within the United States, some unscrupulous employers take advantage of these individuals since their employment can often reduce costs. However, the use of illegal workers cheats legal workers out of employment opportunities.

Recent events involving the construction industry resulted in the discovery of a number of these illegal workers. According to the Pacific Resource Partnership, between December 2007 and December 2008 at least 168 illegal undocumented workers were

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arrested in Hawaii with approximately 103 of these workers being employed by the construction industry. These events demonstrate the need for this measure. However, your Committee notes the concerns raised by testifiers regarding this matter and respectfully requests subsequent committees to scrutinize these issues as the bill makes its way through the legislative process.

While this measure is an important step in dealing with this situation, your Committee notes that a more proactive approach to dealing with this problem should be taken.

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 H.B. No. 2897 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

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



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KARL RHOADS, Chair



State of Hawaii  
House of Representatives  
The Twenty-fifth Legislature

**HSCR 80-10**

**Record of Votes of the Committee on Labor & Public Employment**

<b>Bill/Resolution No.:</b> HB 2897	<b>Committee Referral:</b> LAB, CPC, JUD	<b>Date:</b> 2-2-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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				/
<b>TOTAL (12)</b>	11	—	—	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				