

STAND. COM. REP. NO.

2277

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2840
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committees on Labor and Judiciary and Government Operations, to which was referred S.B. No. 2840 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT,"

beg leave to report as follows:

The purpose of this measure is to require at least eighty per cent of the workers on certain public works contracts and construction procurements to be residents of Hawaii.

Testimony in support of this measure was submitted by seven private organizations and two individuals. Testimony in opposition of this measure was submitted by one state agency. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that over the past couple of years, the number of resident construction workers that have been unemployed or underemployed have been substantial. Your Committees also find that the current rate of unemployment in Hawaii has reached levels that have not been experienced locally for a number of years. Your Committees further find that the unique geographic isolation of Hawaii compounds the rate of unemployment because it restricts the ability of its residents to find work in, or relocate to, other states. Your Committees further find that the high rate of unemployment for resident construction workers on public works contracts and construction procurements is substantially related to the number of non-resident construction workers that are brought into Hawaii to work for the contractor on those projects.

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Your Committees have amended this measure by:

- (1) Including in the purpose section a discussion about the high rate of unemployment for Hawaii residents in the construction industry, the hardship faced by residents only having the financial wherewithal to seek work in Hawaii because of its geographic isolation from other states and the economic difficulty of relocating to another state for work, and the number of non-resident construction workers that are employed by contractors on public works contracts and construction procurements;
- (2) Including in the purpose section a discussion of the United States Supreme Court's holding in *United Building & Construction Trades Council of Camden County & Vicinity v. Mayor and Council of the City of Camden*, 465 U.S. 208 (1984); and
- (3) Making technical, nonsubstantive amendments for the purposes of accuracy, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2840, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2840, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Labor and
Judiciary and Government
Operations,

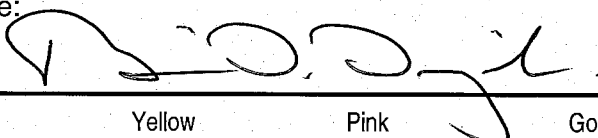

BRIAN T. TANIGUCHI, Chair


DWIGHT Y. TAKAMINE, Chair



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 Twenty-Fifth Legislature
 State of Hawaii

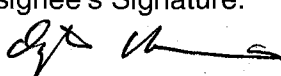
Record of Votes
Committee on Labor
LBR

Bill / Resolution No.:* SB2840	Committee Referral: LBR/JCD, WAM	Date: 2/9/19		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TAKAMINE, Dwight Y. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
BUNDA, Robert				✓
HEE, Clayton				✓
SLOM, Sam			✓	
TOTAL	2	0	1	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Judiciary and Government Operations
JGO

Bill / Resolution No.:* SB 2840	Committee Referral: LBR/JGO, WAM	Date: 2/9/10		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
TAKAMINE, Dwight Y. (VC)	✓			
BUNDA, Robert				✓
GABBARD, Mike				✓
NISHIHARA, Clarence K.	✓			
SLOM, Sam			✓	
TOTAL	3	0	1	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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