

SB 2220

JAN 21 2010

S.B. NO. 2220

A BILL FOR AN ACT

RELATING TO CONSTRUCTION SITES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's economy is
2 driven by thousands of businesses that provide essential goods,
3 services, and jobs. However, an underground economy exists that
4 threatens the ability of legitimate businesses to effectively
5 compete in the marketplace. Underground business operations
6 typically:

7 (1) Avoid licensing requirements;

8 (2) Pay wages in cash, allowing the avoidance of payroll
9 taxes, unemployment insurance, disability insurance,
10 personal income tax, and paid family leave;

11 (3) Employ vulnerable workers, new immigrants, and
12 economically disadvantaged individuals;

13 (4) Fail to pay minimum wages required by state and
14 federal law;

15 (5) Fail to carry workers' compensation insurance; and

16 (6) Avoid worker and workplace safety requirements.

17 The legislature further finds that underground business
18 operations drive down wages, create harsh working conditions,



1 and undercut a legitimate business' profit margins. Underground
2 business operations are a threat to the State's economy,
3 workforce, and consumers.

4 The purpose of this Act is to create a construction site
5 inspection task force to investigate and inspect construction
6 sites for unlicensed contractors, illegal workers, and workplace
7 safety violations.

8 SECTION 2. Chapter 444, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 "§444- Construction site inspection task force. (a)
12 The director shall establish a construction site inspection task
13 force attached to the department of commerce and consumer
14 affairs for administrative purposes. The director, or the
15 director's designee, shall serve as chairperson of the
16 construction site inspection task force. The task force shall
17 include at least two representatives from the department of
18 commerce and consumer affairs, the department of labor and
19 industrial relations, and the department of taxation. The task
20 force also shall include a representative from each county
21 permitting department.

22 (b) The construction site inspection task force shall:



1 (1) Facilitate and encourage the development and sharing
2 of information by the participating agencies necessary
3 to combat the underground economy including shared
4 automated information database systems, the use of a
5 common business identification number, and a
6 centralized debt collection system;

7 (2) Improve the coordination of activities among the
8 participating agencies;

9 (3) Develop methods to pool, focus, and target the
10 enforcement resources of the participating agencies in
11 order to deter tax evasion, unlicensed contractor
12 activity, and workplace safety violations and maximize
13 recoveries from violators of applicable laws and
14 rules; and

15 (4) Reduce enforcement costs wherever possible by
16 eliminating duplicative audits and investigations.

17 (c) In addition, the task force shall have the authority
18 to:

19 (1) Form joint enforcement teams to utilize the existing
20 collective investigative and enforcement capabilities
21 of the participating members, including inspectors
22 appointed by the director or by participating members.



1 The joint enforcement teams shall conduct site
2 inspections on sites suspected of engaging in tax
3 evasion, unlicensed contractor activity, and workplace
4 safety violations. The teams also shall conduct
5 random site inspections to ensure compliance with
6 existing laws;

7 (2) Solicit the cooperation and participation of other
8 state and local agencies in carrying out the
9 objectives of the task force;

10 (3) Establish procedures for soliciting referrals from the
11 public, including but not limited to an advertised
12 telephone hotline;

13 (4) Develop procedures to permit the use of civil
14 sanctions in lieu of criminal actions wherever
15 possible; and

16 (5) Evaluate the need for statutory changes to achieve the
17 purposes of this section, including:

18 (A) Eliminating barriers to interagency information
19 sharing;

20 (B) Improving the ability of the participating
21 agencies to audit, investigate, and prosecute
22 violations;



- 1 (C) Deterring violations and improve voluntary
- 2 compliance;
- 3 (D) Establishing centralized, automated debt
- 4 collection services for the participating
- 5 agencies; and
- 6 (E) Emphasizing civil penalties instead of criminal
- 7 ones whenever possible.

- 8 (d) For purposes of this section, members of any joint
- 9 enforcement team formed by the task force pursuant to subsection
- 10 (c) (1) may enter at reasonable times, without prior notice, any
- 11 property, public or private, for the purpose of investigating
- 12 and inspecting the condition or operation of any construction
- 13 site thereon.

- 14 (e) The task force shall submit an annual report to the
- 15 legislature no later than twenty days before the convening of
- 16 each regular session. The report shall include but not be
- 17 limited to all of the following:

- 18 (1) The number of cases of violations and noncompliance
- 19 with tax laws identified, audited, investigated, or
- 20 prosecuted through civil action or referred for
- 21 criminal prosecution;

- 1 (2) Actions taken by the task force to publicize its
2 activities; and
3 (3) Recommendations for any legislation needed to
4 accomplish the goals described in subsection (c) (5)."

5 SECTION 3. New statutory material is underscored.

6 SECTION 4. This Act shall take effect on July 1, 2010.

7

INTRODUCED BY: Norman S. Skomfs



Report Title:

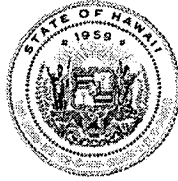
Construction Site Inspection Task Force

Description:

Establishes a construction site inspection task force to be led by the department of commerce and consumer affairs to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





LINDA LINGLE
GOVERNOR
JAMES R. AIONA, JR.
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

LAWRENCE M. REIFURTH
DIRECTOR
RONALD BOYER
DEPUTY DIRECTOR

PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
REGULATED INDUSTRIES COMPLAINTS OFFICE

TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION

TWENTY-FIFTH STATE LEGISLATURE
REGULAR SESSION, 2010

WEDNESDAY, FEBRUARY 3, 2010
8:30 A.M.

TESTIMONY ON SENATE BILL NO. 2220
RELATING TO CONSTRUCTION SITES

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND TO THE HONORABLE DAVID Y. IGE, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs' Regulated Industries Complaints Office ("RICO") appreciates the opportunity to testify on Senate Bill No. 2220, Relating To Construction Sites. My name is Jo Ann Uchida, RICO's Complaints and Enforcement Officer. RICO offers the following comments on the bill.

Senate Bill No. 2220 creates a construction site inspection task force within the Department, comprised of members from the Department, the Department of Labor and Industrial Relations, the Department of Taxation, and each county

permitting department. The members shall facilitate information sharing, coordinate activities, and develop strategies among participating agencies to deter tax evasion, unlicensed contractor activity, and workplace safety violations. The Task Force is authorized to form joint enforcement teams to investigate and inspect the condition or operation of any construction site, enlist the cooperation and participation of other state agencies, establish procedures for soliciting referrals from the public, and evaluate the need for statutory changes.

RICO acknowledges that the purpose and provisions of the bill are laudable and appreciates any initiative that will facilitate more effective enforcement of State contracting laws. RICO notes, however, that the ability of the Task Force to devote resources to carry out its mandates will be dependent upon the staffing and budgets of the participating departments. The current economic situation of State government would not appear to be conducive to adding additional responsibilities at this time. We therefore urge the Committee to take serious consideration of the budgetary constraints each department faces before creating new responsibilities.

Thank you for this opportunity to testify on Senate Bill No. 2220. I will be happy to answer any questions that the members of the Committee may have.

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

**TO THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION**

**TWENTY-FIFTH LEGISLATURE
Regular Session of 2010**

**Wednesday, February 3, 2010
8:30 a.m.**

TESTIMONY ON SENATE BILL NO. 2220, RELATING TO CONSTRUCTION SITES.

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:**

My name is Denny Sadowski, Legislative Chair of the Contractors License Board ("Board"). Thank you for this opportunity to present testimony on Senate Bill No. 2220 which establishes a Construction Site Inspection task force to deter tax evasion, unlicensed activity, and workplace safety violations.

While the Board has not had an opportunity to discuss this bill in depth, we do suggest that the establishment of the task force be placed in a new section, rather than in the contractors licensing statute (Chapter 444, HRS), due to the broad nature of the bill and its impact on issues beyond contractor licensing.

The Board will further discuss this bill at its next meeting on February 19, 2010.

Thank you for the opportunity to testify on this measure.

LINDA LINGLE
GOVERNOR



DARWIN L.D. CHING
DIRECTOR

COLLEEN Y. LaCLAIR
DEPUTY DIRECTOR

**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.hawaii.gov/labor
Phone: (808) 586-8842 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

February 2, 2010

To: The Honorable Rosalyn H. Baker, Chair
and Members of the Senate Committee on Commerce and Consumer Protection

Date: Wednesday, February 03, 2010

Time: 9:00 a.m.

Place: Conference Room 229
State Capitol

From: Darwin L.D. Ching, Director
Department of Labor and Industrial Relations

Testimony in Opposition S.B. No. 2220 - Relating to Construction Sites

I. OVERVIEW OF PROPOSED LEGISLATION

S.B. No. 2220 amends Chapter 444, Hawaii Revised Statutes (“HRS”) by adding a new section to establish a construction site inspection task force from the departments of Commerce and Consumer Affairs and Labor and Industrial Relations, to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations.

This Act is effective July 1, 2010.

II. CURRENT LAW

There is currently no joint task force established under the departments of Commerce and Consumer Affairs and the Labor and Industrial Relations.

III. SENATE BILL

Due to budget constraints the Department must oppose S.B. 2220:

1. Adding this type of responsibility at time when resources are thinnest would negatively impact the ability of the Department of Labor and Industrial Relations to carry out the core purpose of assuring a lawful working environment by equitably administering and enforcing labor laws for which the department is responsible.
2. Further, this bill does not address the funding and resources necessary to create an interagency task force. The department will need to provide at least four (4) investigators (one each from UI, DCD, WSD & HIOSH) as well as clerical staff just to man this new office.
3. Time and time again legislators ask the Department about what it is doing to catch companies employing illegal alien workers. The Department would like to again point out that this is an area of federal preemption and that the Federal Government has sole jurisdiction over issues of immigration and illegal aliens.

The Honorable Rosalyn H. Baker, Chair
Committee on Commerce and Consumer Protection
State Senate
State Capitol, Room 229
Honolulu, Hi 96813

Ref: SB 2220, Relating to Construction Sites, Wed 2/03/10, 9:00 am

My name is Scotty Anderson and for the past six years have served as a public member of the State Contractors License (CLB) Board, and since July as its Chair. Prior to this, I have spent over 30 years involved with sales to the construction industry.

Our counties and our State are strapped for money. Our citizens don't want tax or fee increases. SB 2220 is a vehicle to raise money for both counties and the State without any increase in taxes or fees.

Currently unlicensed work in the construction area is costing our State and counties millions of dollars in uncollected taxes and fees.

Licensed contractors pay GET tax, permit fees, various forms of insurance, license fees etc.

We have an underground economy that is cheating both the construction industry and the citizens of Hawaii by:

- a) not paying their GET tax
- b) not having proper insurance
- c) not applying for proper permits
- d) not using properly licensed electricians or plumbers
- e) not paying proper wages with proper benefits

When faced with the same problems the State of California acted, and enacted an Enforcement agency that is eliminating unlicensed activity, collecting large fines, and making money for the State.

This task force includes not only the construction trades industry but safety and immigration as well.

Hawaii needs to address this growing problem that creates unfair competition in the industry and cheats our citizens at the same time.

I appreciate the committee's attention to this matter and stand ready to assist in any way possible.

SAH - Subcontractors Association of Hawaii

1188 Bishop St., Ste. 1003**Honolulu, Hawaii 96813-2938

Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

February 3, 2010

Testimony To: Senate Committee on Commerce and Consumer Protection
Senator Rosalyn H. Baker, Chair

Presented By: Tim Lyons
President

Subject: S.B. 2220 – RELATING TO CONSTRUCTION SITES.

Chair Baker and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. SAH is composed of nine separate and distinct subcontracting organizations including:

ELECTRICAL CONTRACTORS ASSOCIATION OF HAWAII

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

We support this bill.

The subject of unlicensed contractors has long been a thorn in the side of contractors. Various sessions of the legislature have dealt with this subject matter establishing everything from forfeiture penalties to the lack of protection for homeowners that use unlicensed contractors. Unfortunately, the problem persists. On the one hand, we feel that the problem persists because the greed factor is at work and people feel they can get a job done cheaper, even though they often times will have to wind up paying more for it later on. The other side is the lack of education and/or enforcement of current and existing laws. We believe this is an example of that situation. No new laws are needed (with the exception of this bill) in order to perform the framework for these investigations.

Unfortunately, in the past, government agencies have had their blinders on and have restricted their activity and their concerns to only THEIR laws. It is typical, we have discovered, that when a contractor is unlicensed and in violation of that law, he is also in violation of a LARGE number of other laws including immigration, hiring employees, paying taxes and having the proper insurances as well as, affording consumers the protection that they deserve when dealing with a contractor.

We would suspect that issues of funding may surface on this bill however, we would submit to you that in every poll that we have taken of our membership, they have never objected to an increase in the Regulated Industry Complaints Office Compliance fee, in order to help fund unlicensed contractors and if that is what is necessary then we would go along with it in order to provide some relief to the legitimate contractors that operate following the laws.

Based on the above, we can highly recommend your support.

Testimony In Support of
SB2220 RELATING TO CONTRACTORS

By
Al Lardizabal, Director of Government Relations
Hawaii Laborers' Union

To the
Senate Committee on Commerce and Consumer Protection

Wednesday, February 3, 2010, 9:00 a.m., Rm. 229
State Capitol

Honorable Rosalyn H, Baker, Chair; Honorable David Y. Ige, Vice Chair and Members
of the Committee:

The Hawaii Laborers Union fully supports the intent and purposes of SB2220 with
comments. We appreciate the Legislatures' interest and action in addressing long-time
concerns of Hawaii's construction industry in dealing with unlicensed contractors,
persons, and irresponsible contractors who avoid playing by the rules and the laws and
thereby impacting unfairly, those contractors that conduct business responsibly.

Other bills under consideration by the Legislature attempt to deal with this important
issue in part: SB2325 (identification of licensed workers); HB2897 (ineligible workers);
and we hope to see the introduction and passage of a bill calling for "Responsible
Contractors" identifying the irresponsible ones. We understand that the federal
government through the defense appropriation act calls for the establishment of a listing
of responsible contractors to preclude irresponsible contractors from obtaining more
government work. This is an idea whose time has come in Hawaii.

We refer to page 3 line 15 subparagraph (4) calling for the reduction of enforcement
costs.

While we agree that duplication should be avoided, it is not necessarily a bad thing for
enforcement. We prefer that the bill call for the expansion of enforcement to encourage
the increase of tax payments and fees and thereby increase the revenues of the State, and
just as important, increase in safety. Effective enforcement is a process with a good return
on investment.

Thank you for the opportunity to submit this testimony.

BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

94-487 Akoki Street
Waipahu, Hawaii 96797

February 3, 2010

Senator Rosalyn Baker, Chair
Committee on Commerce and
Consumer Protection
State Capitol, Room 229
Honolulu, Hawaii 96813

RE: SB 2220 Relating to Construction Sites

Dear Chair Baker and Members of the Committee on Commerce and Consumer Protection:

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 2220 Relating to Contractors.

The purpose of the bill is to establish a construction site inspection task force to be led by the department of commerce and consumer affairs to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations. A multi-disciplinary team such as the one that would be established by the enactment of this bill could be very effective in checking on violations related to unlicensed activity, health and safety laws, and immigration laws on a construction site. The creation of the task force and the frequency of their inspections could be a significant deterrent to unlicensed and illegal activity.

We ask for your favorable consideration and passage of this bill.

Thank you for the opportunity to testify on this bill.



HAWAII ELECTRICIANS TRAINING FUND

1935 HAU STREET, ROOM 301 • HONOLULU, HAWAII 96819-5003 • PHONE (808) 647-0629 • FAX (808) 643-8818

TESTIMONY SUPPORTING SB2220, RELATING TO CONSTRUCTION SITES

**TO: SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
(VIA FAX 843-8818)**

For Hearing on Wednesday, February 3, 2010, at 8:30 A.M., in Conference Room 229

RE: STRONG SUPPORT FOR SB2220

Honorable Chair Baker, Vice Chair Ige, and Commerce and Consumer Protection Committee members,

My name is David Lovelace. I am a Training Coordinator for the Hawaii Electricians Training Fund. We are a non-profit organization that provides substantial training for all our beneficiaries of the International Brotherhood of Electrical Workers Local Union 1186 and, thru contract, others requiring electrical education for the safety and well-being of the industry.

The State of Hawaii has recognized the need to qualify specific tradespersons in their abilities to perform and direct work in a safe and workmanlike manner thereby:

"HRS §448E-9 Unlicensed activity. (a) No person shall act or assume to act as a journey worker electrician, journey worker specialty electrician, supervising electrician, supervising specialty electrician, journey worker plumber, master plumber, maintenance electrician, journey worker industrial electrician, or supervising industrial electrician, or advertise or hold the person's self out as an electrician or plumber, without a license previously obtained in compliance with this chapter and the rules of the board;..."

The need to enforce the above requirement in protecting the people of Hawaii is very substantial. The Department of Commerce and Consumer Affairs Regulated Industries Complaints Offices (RICO) has been understaffed and slow to respond to complaints of unlicensed activities, as well as unsafe activities, verifying the need to provide assistance in protection. The formation of a task force would better facilitate and enforce inspection of construction sites for unlicensed contractors, illegal workers, and workplace safety violations. The task force would enable interagency information sharing and improve the ability of the participating agencies to audit, investigate, and prosecute violations.

We also believe that in order to obtain "a level of skill, abilities and competencies recognized within an industry", as written in 29 CFR 29.5 B (7), a needed ratio of journeymen to apprentices be accomplished as quoted:

"A numeric ratio of apprentices to journeymen consistent with proper supervision, training, safety, and continuity of employment," and a continuation of the requirement to have a licensed person supervise an apprentice or trainee as stated:



HAWAII ELECTRICIANS TRAINING FUND

1935 HAU STREET, ROOM 301 • HONOLULU, HAWAII 96819-5003 • PHONE (808) 847-0629 • FAX (808) 843-8818

HRS §448E-9 b) An apprentice or trainee learning the trade of a person licensed under this chapter shall not be required to have a license if the apprentice or trainee acts under the supervision of a person appropriately licensed under this chapter.

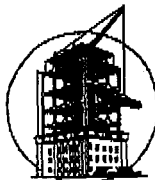
Allowing the director of DCCA to establish a construction site inspection task force could accomplish the consumer protection the Legislature of Hawaii has so judicially written in the Hawaii Revised Statutes.

Thank you for providing me with the opportunity to testify in strong support for SB2220.

Thank you,

David Lovelace

Hawaii Electricians Training Fund
Training Coordinator



HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO
 GENTRY PACIFIC DESIGN CENTER, STE. 215A • 580 N. NIMITZ HIGHWAY, #50 • HONOLULU, HAWAII 96817
 (808) 524-2249 • FAX (808) 524-6893

NOLAN MORIWAKI
 President
 Bricklayers & Ceramic Tile Setters
 Local 1 & Plasterers/Cement
 Masons Local 830

JOSEPH O'DONNELL
 Vice President
 Iron Workers Local 625

DAMIEN T. K. KIM
 Financial Secretary
 International Brotherhood of
 Electrical Workers Local 1188

ARTHUR TOLENTINO
 Treasurer
 Sheet Metal Workers I.A. Local 293

REGINALD CASTANARES
 Trustee
 Plumbers & Fitters Local 675

THADDEUS TOMELI
 Elevator Constructors Local 126

MALCOLM K. AHLO
 Carpet, Linoleum, & Soft Tile
 Local 1295

JOSEPH BAZEMORE
 Drywall, Tapers, & Finishers
 Local 1944

RICHARD TAGGERE
 Glaziers, Architectural Metal &
 Glassworkers Local Union 1889

RONAN KOZUMA
 Hawaii Teamsters & Allied
 Workers Local 996

GARY AYCOCK
 Boilermakers, Ironship Builders
 Local 627

LYNN KINNEY
 District Council 50
 Painters & Allied Trades
 Local 1791

KALANI MAHON
 Operating Engineers Local 3

PETER GANABAM
 Laborers' International Union of North
 America Local 368

DOUGLAS FULP
 International Association of
 Heat & Frost Insulators
 & Allied Workers Local 132

February 2, 2010

Honorable Senator Rosalyn H. Baker, Chair
 Honorable Senator David Y. Ige, Vice Chair
 Members of the Senate Committee on Commerce & Consumer Protection
 Hawaii State Capital
 415 South Beretania Street
 Honolulu, HI 96813

RE: **IN SUPPORT OF SB 2220**
 RELATING TO CONSTRUCTION SITES
 Hearing: Wed., Feb. 3, 2010, 8:30 a.m., Room 229

Dear Chair Baker, Vice Chair Ige, and the Senate Committee on
 Commerce and Consumer Protection:

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.

The Council SUPPORTS the passage of SB2220 that establishes a
 construction site inspection task force to be led by the Department
 of Commerce and Consumer Affairs to investigate and inspect
 construction sites for unlicensed contractors, illegal workers, and
 workplace safety violations.

Thank you for the opportunity to submit this testimony in support
 of SB2220.

Sincerely,

W. Hong dg

William "Buzz" Hong
 Executive Director

WBH/dg

Testimony of C. Mike Kido
External Affairs
The Pacific Resource Partnership

House Committee on Commerce and Consumer Protection
Senator Rosalyn Baker, Chair
Senator David Ige, Vice Chair

SB 2220 – RELATING TO CONSTRUCTION SITES
Wednesday, February 3, 2010
8:30 am
Conference Room 229

Chair Baker, Vice Chair Ige and Members of the House Committee on Commerce and Consumer Protection:

My name is C. Mike Kido, External Affairs of the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Carpenters Union.

PRP supports SB 2220 – Relating to Construction Sites, which establishes a construction site inspection task force to be led by the department of commerce and consumer affairs to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations.

Underground business operations “cheat” our local people out of gainful employment and exploit illegal labor in these tough economic times for the sake of their “bottom line”. Underground business operations typically avoid licensing requirements and pay wages in cash, thereby avoiding income tax contributions that the rest of us pay that goes to support our schools and other social and infrastructure services.

Nearly 52% of unionized carpenters statewide are currently unemployed. The hiring of “illegal” workers “cheats” our local people from obtaining good paying work to support their families, while allowing unscrupulous contractors to increase profits at the expense of our own locally unemployed and those they seek to exploit .

Underground business operations are a threat to our State’s economy and thus PRP highly supports the creation of a construction site inspection task force to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations.

Thank you for the opportunity to share our views with you and we respectfully ask for your support on SB 2220 – Relating to Construction Sites.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAII

NECA Hawai'i Chapter
1286 Kalani Street, Suite B-203
Honolulu, Hawai'i 96817
PH: (808) 847-7306
FX: (808) 841-8096
Email: ecah@ecahi.com



February 1, 2010

To: The Honorable Senator Rosalyn Baker, Chair
And the Members of the Committee on Commerce and Consumer Protection

From: Al Itamoto, Executive Director
Electrical Contractors Association of Hawaii
National Electrical Contractors Association, Hawaii Chapter

Subject: SB 2220, Relating to Construction Sites

Notice of Hearing

Date: Wednesday, February 3, 2010
Time: 9:00 AM
Place: Conference Room 229
State Capitol
415 South Beretania Street

Dear Chair Baker and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association consisting of electrical contractors that are signatory to a collective bargaining agreement with IBEW Local Union 1186. ECAH **strongly supports** the intent and purpose of SB 2220 establishing a construction site inspection task force to be lead by the Department of Commerce and Consumer Affairs to investigate sites for unlicensed contractors, illegal workers, and workplace safety violations.

The intent and purpose of SB2220 is consistent with the objectives of ECAH and would greatly enhance the compliance and enforcement efforts of the construction industry. It is widely known in the construction industry that there are violations on construction job sites that compromise workplace safety, quality workmanship and compliance to state statues in public and private jobs. The illegal activities of the underground economy take jobs away from contractors and workers that follow the rules and threaten the livelihood of legitimate contractors.

ECAH **strongly supports** the passage of SB 2220.

Thank you for the opportunity to provide testimony on this issue.

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcawhawaii.org
Website: www.gcawhawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

February 2, 2010

TO: THE HONORABLE SENATOR ROSALYN H. BAKER, CHAIR AND MEMBERS OF
THE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

SUBJECT: S.B. 2220, RELATING TO CONSTRUCTION SITES.

AMENDED NOTICE OF HEARING

DATE: Wednesday, February 03, 2010
TIME: ~~9:00 a.m.~~ 8:30 a.m.
PLACE: Conference Room 229

Dear Chair and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and seventy (570) general contractors, subcontractors, and construction related firms, supports the passage of S.B. 2220 Relating to Construction Sites. This bill would create a construction site inspection task force to investigate and inspect construction sites for unlicensed contractors, illegal workers, and workplace safety violations.

The GCA feels that such a joint task force could more effectively and, in the long term, more economically deal with those that deliberately violate contractor licensing, labor and safety laws. There is also a provision to establish procedures for soliciting referrals from the public via telephone hotline and sharing of automated data systems. All of which should lead to more effective and timely responses to alleged unlicensed, illegal or unsafe construction site activities.

The GCA supports the passage of S.B. 2220 Relating to Construction Sites.

Thank you for the opportunity to provide our views on this issue.