

TESTIMONY

SB 2326



Randy Perreira
President

HAWAII STATE AFL-CIO

320 Ward Avenue, Suite 209 • Honolulu, Hawaii 96814

Telephone: (808) 597-1441
Fax: (808) 593-2149

The Twenty-Fifth Legislature, State of Hawaii
Hawaii State Senate
Committee on Labor

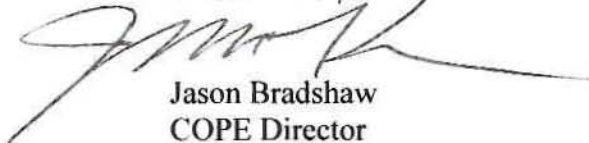
Testimony by
Hawaii State AFL-CIO
January 28, 2010

**S.B. 2326 – RELATING TO WAGES, HOURS,
AND WORKING CONDITIONS OF
EMPLOYEES OF CONTRACTORS
PERFORMING SERVICES**

The Hawaii State AFL-CIO supports S.B. 2326 which requires that services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work in the State of Hawaii.

Thank you for the opportunity to testify.

Respectfully submitted,



Jason Bradshaw
COPE Director



HAWAII TEAMSTERS AND ALLIED WORKERS, LOCAL 996

Affiliated with the International Brotherhood of Teamsters

1817 Hart Street
Honolulu, Hawaii 96819-3205

Phone 808-847-6633
Fax 808-847-4575

Senator Dwight Takamine, Chair
Senator Brian Taniguchi, Vice-Chair
Committee on Labor

Glenn Ida, Representative

Thursday, Jan. 28, 2010, at 2:45 PM
Conference room 224

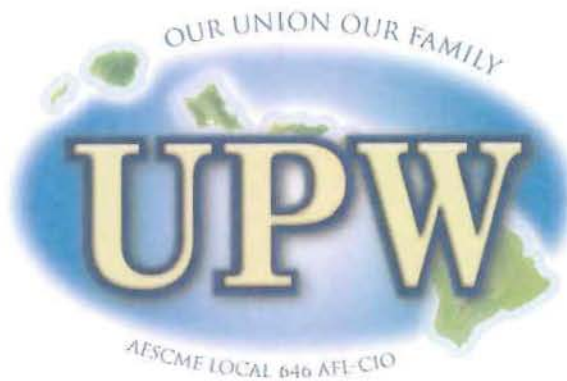
The Hawaii Teamsters Local 996 supports, SB 2326.

During times of economic challenges where Government is willing to take measures down size and subcontract out services in order to try and save money. There have been occasions where the workers have been taking advantage of so the contractor can get a bid award.

SB 2326 addresses this issue by ensuring that a standard of wages and benefits will be established in compliance with labor laws for workers performing similar work under a Service Contract.

Therefore the Hawaii Teamsters Local 996 supports SB 2326.

Thank you for the opportunity to testify.



The Senate
The Twenty-Fifth Legislature
Regular Session of 2010

Committee on Labor
Senator Dwight Y. Takamine, Chair
Senator Brian T. Taniguchi, Vice Chair

DATE: Thursday, January 28, 2010
TIME: 2:45 p.m.
PLACE: Conference Room 224
State Capitol
415 South Beretania Street

**TESTIMONY OF THE UNITED PUBLIC WORKERS, AFSCME, LOCAL 646,
AFL-CIO ON S.B. 2326 RELATING TO WAGES, HOURS, AND WORKING
CONDITIONS OF EMPLOYEES OF CONTRACTORS PERFORMING SERVICES**

The United Public Workers, Local 646, represents approximately 8,800 blue collar non-supervisory employees in bargaining unit 1 and 2,900 institutional, health and correctional workers in bargaining unit 10 under chapter 89. **We are in favor of Senate Bill No. 2326 which clarifies the intent of the prevailing wage statute by adding the words "in the State of Hawaii" to subsection "a" of Section 103-55, Hawaii Revised Statutes (HRS).**

As you know, the basic purpose of the statute is to ensure that private contracts with governmental agencies exceeding \$25,000 not undercut the prevailing wages which public officers and employees receive for similar work in this State. However, under the wording of existing statute there are

HEADQUARTERS - 1426 North School Street ♦ Honolulu, Hawaii 96817-1914 ♦ Phone: (808) 847-2631
HAWAII - 362 East Lanikaula Street ♦ Hilo, Hawaii 96720-4336 ♦ Phone: (808) 961-3424
KAUAI - 4211 Rice Street ♦ Lihue, Hawaii 96766-1325 ♦ Phone: (808) 245-2412
MAUI - 841 Kolu Street ♦ Wailuku, Hawaii 96793-1436 ♦ Phone: (808) 244-0815
1-866-454-4166 (Toll Free, Molokai/Lanai only)

references to "laws of the federal and state governments" and it remains unclear what precisely is the applicable standard or level of wages which must be maintained by the contractors. For example, since the federal government employs "public officers and employees" is it the level of wages paid by the U.S. Government which should apply? Similarly, if the contracting entity is a county entity is the prevailing wage standard based on wages paid to county employees or to state employees. Finally, if the contractor is out of state is the prevailing wage standard the wages paid to public officers and employees where the contractor originates?

We believe this measure clarifies the applicable standard and eliminates the ambiguity which currently exists under state law. The amendment to the statute adopts one standard consistent with the basic purpose of Section 103-55, HRS, i.e., which is to maintain and protect the prevailing wages and salaries set for "public officers and employees" of the State of Hawaii. We urge your favorable action on S.B. 2326.