



**International Brotherhood of Electrical Workers**  
**LOCAL UNION NO. 1186 • Affiliated with AFL-CIO**

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**TESTIMONY SUPPORTING SB687, RELATING TO PROCUREMENT**

**TO: SENATE COMMITTEE ON LABOR (VIA FAX 586-6659)**

For Hearing on Thursday, February 5, 2009, at 2:45 a.m., in Room 224

**RE: SUPPORT FOR SB687, RELATING TO PROCUREMENT**

Honorable Chair Takamine, Vice Chair Taniguchi, and Senate Labor Committee members,

My name is **Damien Kim**, and I am the Business Manager / Financial Secretary of the International Brotherhood of Electrical Workers Local Union 1186 representing over 3,500 members of the electrical construction, telecommunication, Oceanic Cable, and civil service employees at Pearl Harbor Shipyard, Kaneohe Marine Base and Hickam. IBEW local 1186 also represents over 120 signatory electrical contractors that perform most of the electrical work in Hawaii.

SB687 levels the playing field for state projects by ensuring bidders have met their responsibilities for safety, training, apprenticeship, licensing, compliance and other requirements. These safeguards provide the state procurement process with responsible contractors and quality projects that provide value for our public funds.

Thank you for providing me with this opportunity to testify in strong support for SB687.

Mahalo and aloha,

**Damien Kim**  
Business Manager / Financial Secretary  
International Brotherhood of  
Electrical Workers, Local Union 1186



Randy Perreira  
President

# HAWAII STATE AFL-CIO

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The Twenty-Fifth Legislature  
Hawaii State Senate  
Committee on Labor

Testimony by  
Hawaii State AFL-CIO  
February 5, 2009

## S.B. 687 – RELATING TO PROCUREMENT

The Hawaii State AFL-CIO strongly supports the purpose and intent of S.B. 687 which enacts the responsible construction contractor law for government procurements of construction projects in Hawaii.

No longer should responsible contractors be punished for complying with state labor laws in the bidding process. There must be greater penalties for contractors who consistently violate state labor laws. It is the only sensible way to act. Contractors who follow and obey the law should not have an unfair advantage to contractors who feel violating the law is perfectly fine to save money and bid low; only to hurt the responsible contractors.

As a result, S.B. 687 would require that workers be trained or have been trained by a certified state department of labor approved apprenticeship training program, have a valid Hawaii state license, have complied with the state labor laws such as prevailing wages, workers' compensation, and the hiring of no illegal workers before bidding. In addition, S.B. 687 would also require that bidders have a good safety record and commit to hiring Hawaii residents to compose not less than eighty percent of the workforce on the project.

These new stipulations will help level the playing field for all responsible contractors and help ensure that Hawaii workers are employed. Often times, outside bidders import workers with little or no training and put them in very poor housing. They are treated bad and paid very low wages because the contractors know that government enforcement is not strong. Therefore, S.B. 687 is imperative to pass. It is time to put a stop to outside bidders violating state labor laws.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira  
President



**Associated Builders and Contractors of Hawaii  
80 Sand Island Access Road, M-119  
Honolulu, Hawaii 96819**

February 17, 2009

TESTIMONY to be PRESENTED to the  
SENATE COMMITTEE on LABOR  
For hearing on Tuesday, February 5, 2009, 2:45 PM, Room 224

by

Karl F. Borgstrom, President  
ASSOCIATED BUILDERS & CONTRACTORS OF HAWAII

**IN OPPOSITION TO**

**SENATE BILL 687  
RELATING TO PROCUREMENT**

CHAIR AND MEMBERS OF THE COMMITTEE:

The Associated Builders and Contractors is a professional trade association representing Merit Shop construction contractors, suppliers and service providers throughout the State of Hawaii. ABC Hawaii is the sponsor of a DLIR-recognized Apprenticeship Program and is dedicated to maintaining that program as a key player in the State's workforce development efforts.

ABC Hawaii strongly objects to SB 687 for reasons that include the following:

- SB 687 will have the effect of legislating an unequal playing field in the state construction bidding process in favor of union contractors by excluding them from the prerequisites presumed to define a "responsible contractor.
- SB 687 would mandate the maintenance and participation in a DLIR-approved apprenticeship program in any trade pertaining to contracted or subcontracted work whether or not the use of apprentices is appropriate to the size and scope of the project and regardless of the availability of licensed and skilled journey workers already employed by the firm.
- In these difficult economic times, and particularly for small contractors, the cost of having to maintain an active involvement in an Apprentice Program, whether or not they have need for or are using apprentices, could be significant.

For these reasons, **Associated Builders and Contractor of Hawaii opposes SB 687.**