

STAND. COM. REP. NO.

341

Honolulu, Hawaii

Feb 16, 2011

RE: H.B. No. 1434  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1434 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS,"

begs leave to report as follows:

The purpose of this bill is ensure that a violation arises with each separate project in which the Department of Labor and Industrial Relations (DLIR) finds that a contractor has failed to comply with the prevailing wage law.

The Hawaii State AFL-CIO, International Brotherhood of Electrical Workers Local Union 1260, International Brotherhood of Electrical Workers Local Union 1186, Hawaii Laborers' Union, and ILWU Local 142 testified in support of this bill. DLIR and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported the intent of this measure. The General Contractors Association of Hawaii opposed this bill.

Effectively enforcing the prevailing wage law is a priority and contractors should not be able to evade the law. However, your Committee finds that contractors can make an "honest" mistake on every project they are working on, and subsequently could be eliminated from being eligible to bid on state projects if they made the same mistake on three projects.

HB1434 HD1 HSCR LAB HMS 2011-2043



Your Committee amended this bill by:

- (1) Increasing the number of violations referring to each project in which DLIR finds that a contractor has failed to comply with the prevailing wage law from three to six; and
- (2) Allowing a contractor committing a violation to file a written notice of appeal and to be able to use an affirmative defense that the violation occurred unintentionally.

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. 1434, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1434, H.D. 1, and be referred to the Committee on Finance.

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-sixth Legislature

HSCR 341

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

<b>Bill/Resolution No.:</b> HB 1434	<b>Committee Referral:</b> LAB, FIN	<b>Date:</b> 2-8-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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. CULLEN, Ty	/			
5. ICHIYAMA, Linda	/			
6. LEE, Marilyn B.	/			
7. LUKE, Sylvia	/			
8. SAIKI, Scott K.				/
9. SOUKI, Joseph M.	/			
10. TAKUMI, Roy M.		/		
11. FONTAINE, George R.		/		
12. JOHANSON, Aaron Ling	/			
<b>TOTAL (12)</b>	9	2	-	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.				
<b>Vice Chair's or designee's signature:</b>				
<b>Distribution:</b> Original (White) -- Committee    Duplicate (Yellow) -- Chief Clerk's Office    Duplicate (Pink) -- HMSO				