

STAND. COM. REP. NO.

1209

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 1434  
H.D. 2  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 1434, H.D. 2, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to ensure that contractors shall be issued a separate Notice of Violation for each government construction project where the Department of Labor and Industrial Relations finds that a contractor has failed to comply with chapter 104, Hawaii Revised Statutes, the prevailing wage law.

Your Committee finds that one deterrent to violation of the prevailing wage law is to bar contractors who accumulate three Notices of Violation of the law within two years from bidding on government construction projects for three years. This deterrent of debarment from working on government projects is weakened by the fact that prevailing wage labor investigations can take over two years and that as the law reads now a violation refers to an investigation involving one or more projects. Uncooperative contractors are able to stall and game the system due to the time limitations and the potential for the bundling of multiple projects into one Notice of Violation, thereby remaining eligible for government contracts despite multiple offenses over long periods of time on multiple projects.

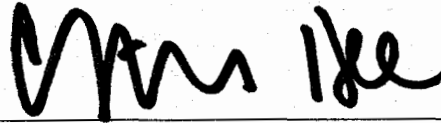


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Your Committee recognizes the concerns of the contractor community that a contractor who unwittingly violates the law simultaneously on three projects due to the same mistake could be subject to debarment. However, your Committee finds that considering the harm incurred by the workers and their families due to such violations, ensuring that such mistakes are not made should be a priority for contractors. This measure will improve contractors' compliance with the law by discouraging intentional violations and deterring potential unwitting violators to eliminate mistakes that impact the lives of others.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1434, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,



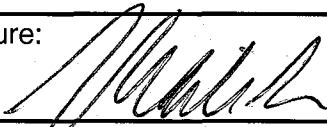
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CLAYTON HEE, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1434, HD2, SD1	CPN, JDL	4/6/11		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile (VC)	✓			
GABBARD, Mike	✓			
IHARA, Jr., Les	✓			
SLOM, Sam	<del>MS</del> MS		✓	
<b>TOTAL</b>	<b>4</b>		<b>1</b>	
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes