

STAND. COM. REP. NO.

1215

Honolulu, Hawaii

March 24, 2011

RE: S.B. No. 1221  
S.D. 2  
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 Committees on Labor & Public Employment and Economic Revitalization & Business, to which was referred S.B. No. 1221, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose of this bill is to:

- (1) Specify certain sanctions for general contractors and subcontractors who fail to comply with sanctions under Chapter 103B, Hawaii Revised Statutes (HRS), relating to employment of state residents on construction procurement contracts law;
- (2) Authorize a contractor to withdraw a bid prior to an award of a contract if the contractor finds that it is unable to comply with the 80 percent Hawaii resident workforce requirement; and
- (3) Provide that a general contractor shall not be sanctioned for noncompliance by a subcontractor of the general contractor on the same contract.



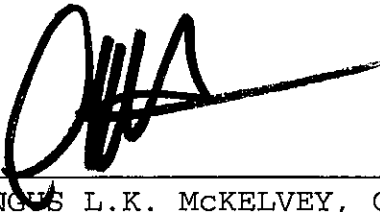
The International Union of Painters and Allied Trades, District Council 50; and the Plumbers and Fitters Union, Local 675 testified in support of this bill. The Comptroller, General Contractors Association, and Ralph S. Inouye Co., Ltd. testified in support of the intent of this measure. The Department of Transportation and Legislative Committee of Associated Builders and Contractors, Hawaii Chapter testified in opposition to this measure.

Your Committees have amended this bill by:

- (1) Applying the sanction of withholding the final payment only to the general contractor; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Revitalization & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1221, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1221, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Labor & Public  
Employment and Economic  
Revitalization & Business,



ANGUS L.K. MCKELVEY, Chair



KARL RHOADS, Chair



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

HSCR 1215

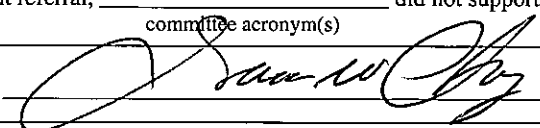
**Record of Votes of the Committee on Labor & Public Employment**

Bill/Resolution No.: <b>SB1221 SD2</b>	Committee Referral: <b>LAB/ERB, FIN</b>	Date: <b>3-22-11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <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>	<b>12</b>	—	—	—
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ Committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution:    Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				

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State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Economic Revitalization & Business

Bill/Resolution No.: SB1221, SD2 (SSCR 522)		Committee Referral: LAB/ERB, FIN		Date: 3/22/11	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <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)					
ERB Members		Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)		✓			
2. CHOY, Isaac W. (VC)		✓			
3. AWANA, Karen L.		✓			
4. BROWER, Tom					✓
5. EVANS, Cindy					✓
6. HASHEM, Mark J.		✓			
7. NISHIMOTO, Scott Y.		✓			
8. TOKIOKA, James Kunane					✓
9. TSUJI, Clift		✓			
10. MARUMOTO, Barbara C.		✓			
11. PINE, Kymerly Marcos		✓			
TOTAL (11)		8	0	0	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.					
Vice Chair's or designee's signature: 					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					