

Honolulu, Hawaii

March 21, 2014

RE: S.B. No. 2704  
S.D. 2  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2704, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO COMPENSATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Provide that the overtime compensation for a laborer or mechanic on a public works project shall be not less than one and one-half times the laborer's or mechanic's basic hourly pay, plus the cost of fringe benefits; and
- (2) Require that overtime compensation for a laborer or mechanic on a public works project be the rate specified in a collective bargaining agreement when the basic hourly rate is based upon a collective bargaining agreement.

The Pacific Resource Partnership and Hawaii Operating Engineers Industry Stabilization Fund provided testimony in support of this measure. The Department of Labor and Industrial Relations provided comments on this measure.



Your Committee has amended this measure by:

- (1) Clarifying that the definition of "overtime compensation" includes the overtime and other premium rates of pay set by a collective bargaining agreement when the prevailing wage is set by a collective bargaining agreement; and
- (2) Changing its effective date to July 1, 2114, for the purpose of facilitating further discussion.

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 S.B. No. 2704, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2704, S.D. 2, 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,



MARK M. NAKASHIMA, Chair



State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 1185-14

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

<b>Bill/Resolution No.:</b> SB 2704, SD2	<b>Committee Referral:</b> LAB, FIN	<b>Date:</b> 3-18-14		
<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. NAKASHIMA, Mark M. (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. ICHIYAMA, Linda	/			
5. TAKAYAMA, Gregg	/			
6. ING, Kaniela				/
7. TAKUMI, Roy M.	/			
8. YAMANE, Ryan I.	/			
9. JOHANSON, Aaron Ling	/			
<b>TOTAL (9)</b>	8	-	-	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>(committee acronym)</small>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				