Honolulu, Hawaii

March 4

2016

RE: H.B. No. 2473 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2473, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENFORCEMENT OF WAGE LAWS,"

begs leave to report as follows:

The purpose of this measure is to amend the penalty calculations for first and second violations of wage and hour laws applicable to government contractors. Specifically, this measure sets, in addition to the penalty based on owed back wages, a penalty of \$1,000 per offense for the first violation and a penalty of \$10,000 per offense for a second violation.

The Department of Labor and Industrial Relations, Pacific Resource Partnership, Hawaii Construction Alliance, and Hawaii Regional Council of Carpenters testified in support of this measure. The Chamber of Commerce of Hawaii, General Contractors Association of Hawaii, Swinerton Builders, Healy Tibbitts Builders, Inc., Pacific Power Electrical Contracting, S & M Sakamoto, Inc., JB Construction LLC, King & Neel, Inc., LYZ, Inc., Jayar Construction, Inc., Willocks Construction Corporation, and Building Industry Association of Hawaii testified in opposition to this measure.

Your Committee has amended this measure by:

(1) Changing its effective date to July 1, 2030, to facilitate further discussion; and

(2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2473, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2473, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE. Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature HSCL 891-16

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB2473 HD1	Committee Referral: LAB, JUD, I		ote: 02/25/16	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. CACHOLA, Romy M.				
4. CULLEN, Ty J.K.				
5. DeCOITE, Lynn				
6. JOHANSON, Aaron Ling				
7. JORDAN, Jo				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LoPRESTI, Matthew S.				
11. LOWEN, Nicole E.				
12. ONISHI, Richard H.K.				
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.				
15. POUHA, Feki				
16. WARD, Gene				
TOTAL (16)	- /3	1		
The recommendation is: Adopted Not Adopted 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				