

To: Hawaii State House of Representatives Committee on Judiciary  
Hearing Date/Time: Tuesday, February 17, 2015, 2:00 p.m.  
Place: Hawaii State Capitol, Rm. 325  
Re: Testimony of Planned Parenthood of Hawaii in support of H.B. 536, HD1

Dear Chair Rhoads and Members of the Committee,

Planned Parenthood of Hawaii (“PPHI”) writes in support of H.B. 536, HD1, which seeks to encourage improvements in pay equity between men and women by requiring contractors who win certain state contracts to pay men and women equally for similar work; requiring contractors who win certain state contracts to report wages paid to employees by gender; and prohibiting state contractors from retaliating against employees for disclosing wage information.

Planned Parenthood of Hawaii is dedicated to providing Hawaii’s people with high quality, affordable and confidential sexual and reproductive health care, education, and advocacy and we know that equal pay for equal work is a social justice issue that directly impacts many of the women and men of all income levels who come through our doors seeking health care. H.B. 536 will take a step towards remedying this long-time injustice and ensuring that women in state government – contracted workplaces will be treated equally.

Back in the early 1960s, American women working full-time, year-round got paid only 60 percent of what men earned. By 2012, the gender pay gap had shrunk by a little less than half. Full-time, year-round working women’s earnings are 78.6 percent of their male counterparts. That means that a woman in Hawaii – a daughter, a niece, a single mother struggling to provide for her children – may very well get paid less than a man doing the same job. This pay gap affects women and their families from all backgrounds, ages, and at all levels of education – and it’s unacceptable.

You might assume that any woman who’s getting paid less than a man in the same job will either get her employer to fix the problem or got to court and win a lawsuit. Under Hawaii law, that’s easier said than done. Fear of retaliation – getting fired – may prompt the woman to stay silent, especially when good jobs are still scarce. Employers may be able to justify the lesser pay for women by citing education and experience requirements that are not related to the needs of the job. And savvy employers can keep the whole problem under wraps by imposing a gag rule, prohibiting workers from talking to each other about their pay. H.B. 536 seeks to close unfair loopholes and ensure that women are provided an equal playing field from the start.

Thank you for this opportunity to testify in support of H.B. 536.

Sincerely,

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Laurie Field  
Director of Public Affairs & Government Relations



**STATE OF HAWAII**  
**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**  
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WRITTEN TESTIMONY  
OF  
DOUGLAS MURDOCK, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEE  
ON  
JUDICIARY  
ON  
FEBRUARY 17, 2015

H.B. 536, H.D.1

RELATING TO GOVERNMENT CONTRACTS

Chair Rhoads and members of the Committee, thank you for the opportunity to submit written testimony on H.B. 536, H.D. 1.

The Department of Accounting and General Services (DAGS) does not support H.B. 536, H.D. 1.

Although DAGS agrees with the intent of gender equity, in practice, enforcement of wage rates helps ensure all employees are paid fairly by grouping or trade, and gender is not an issue.

Furthermore, in accordance with Chapter 104, Hawaii Revised Statutes, Wages and Hours of Employees on Public Works Law, the wage rate schedule for public works construction projects is already regulated and overseen by the State Department of Labor and Industrial Relations (DLIR) Wage Standards Division. Oversight and enforcement of this law requires that certified payroll affidavits for all worker classifications, regardless of gender, be submitted by all Contractors, including their respective subcontractors, on all public works projects. Rather than

requiring DAGS to promulgate new rules for compliance, DAGS recommends the existing rules as administered by DLIR be revised to promote gender equality in the workplace.

The requirement for the Comptroller to adopt rules for the enforcement, administration, and effectuation of wage equity would result in the following:

1. Redundant oversight by two State agencies (DLIR and DAGS), which may create confusion for Contractors and subcontractors to ensure compliance with both DLIR and DAGS regulations.

2. Lag time between the effective date of the proposed Act and formal regulation, as DAGS would need to develop new certified payroll affidavit forms and processes separate from those issued by DLIR.

3. Higher Contractor supervision overhead costs, and therefore higher bid costs for State public works construction projects, due to the increased/redundant Contractor submittal requirements to satisfy both DLIR and DAGS regulations.

2. Additional work requirements for all State construction contracting agencies and its employees to enforce compliance with both DLIR regulations and DAGS regulations.

Thank you for the opportunity to submit written testimony on this matter.

**LATE**

COMMISSION  
ON THE  
STATUS  
OF  
WOMEN



Chair  
LESLIE WILKINS

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February 17, 2015

To: Representative Karl Rhoads, Chair  
Representative Joy San Buenaventura, Vice Chair  
Members of the House Committee on Judiciary

From: Cathy Betts  
Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in Support, HB 536, HD 1 Relating to Equal Pay

Thank you for this opportunity to testify in strong support of HB 536, which would bar gender based wage discrimination in government contracts. Currently, women in Hawaii still suffer from wage discrimination and our wage gap is not set to “close” until the year 2058. Several remedies have been identified as solid methods to alleviate the wage gap—raising the minimum wage, allowing for paid family leave, and allowing for solid comparable pay policies in government contract work. This is the purpose of HB 536, and the Commission strongly supports the measure. Thank you for this opportunity to testify.



**LATE**

# HAWAII CIVIL RIGHTS COMMISSION

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February 17, 2015  
Rm. 325, 2:00 p.m.

To: The Honorable Karl Rhoads, Chair  
Members of the House Committee on Judiciary

From: Linda Hamilton Krieger, Chair  
and Commissioners of the Hawai'i Civil Rights Commission

Re: H.B. No. 536, H.D1

The Hawai'i Civil Rights Commission (HCRC) has enforcement jurisdiction over Hawai'i's laws prohibiting discrimination in employment, housing, public accommodations, and access to state and state-funded services. The HCRC carries out the Hawai'i constitutional mandate that no person shall be discriminated against in the exercise of their civil rights. Art. I, Sec. 5.

H.B. No. 536, H.D.1, if enacted, will require gender pay equity, equal pay for similar work, for employees working for state government contracts. The H.B. No. 536, H.D.1, amendment to HRS Chapter 103 will require state government agencies to include equal pay provisions in contracts, and state government contractors to report wages paid to employees by gender; and will also provide for penalties for violations of these equal pay requirements.

**The HCRC supports H.B. No. 536, H.D.1.**

Hawai'i currently does not have a state law corollary to the federal E.O. 11246, which charges the U.S. Secretary of Labor with responsibility for ensuring equal opportunity in federal contractors' recruitment, hiring, training and other employment practices. E.O. 11246 requires non-discrimination provisions in all federal contracts and mandates the filing of equal opportunity reports. The U.S. Department of Labor (USDOL) Office of Federal Contract Compliance (OFCCP) enforces E.O. 11246. Noncompliance

with nondiscrimination clauses, rules, regulations, or orders can be cause for cancellation, termination, or suspension of contracts, debarment from federal contracts, and other forms of relief to victims of discrimination.

H.B. No. 536, H.D.1, creates a state enforcement scheme similar to the federal model, in which the U.S. Equal Employment Opportunity Commission (EEOC) has jurisdiction over complaints of discrimination under Title VII of the Civil Rights Act of 1964 and the Equal Pay Act, which apply to all employers as defined under those laws, and OFCCP has jurisdiction over federal contractors for compliance with nondiscrimination reporting requirements of every federal contract. H.B. No. 536, H.D.1, sets up a state enforcement scheme, in which state contractors are required under HRS Chapter 103 to comply with equal pay and reporting requirements, subject to suspension from doing work on state contracts for noncompliance, and the HCRC continues to have jurisdiction over claims of gender-based pay discrimination under HRS Chapter 378, Part I, and the equal pay requirements of HRS § 378-2.3

The HCRC supports passage of H.B. No. 536, H.D.1.

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Brett Kulbis	Individual	Oppose	No

Comments: I oppose HB-536. This legislation would put another unfunded mandate on contractors ultimately increasing the cost of the contracts to the State. Additionally, there are already sufficient regulations that prevent discrimination. This is nothing but more bureaucratic red tape.