

STAND. COM. REP. NO.

1546

Honolulu, Hawaii

MAR 21 , 2019

RE: S.B. No. 1082  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 1082, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO WAGES,"

begs leave to report as follows:

The purpose of this measure is to make general contractors entering into or under private construction contracts in the State liable for the debt incurred by subcontractors for unpaid wages due to claimants for performance of labor under the contract.

Pacific Resource Partnership; Hawai'i Construction Alliance; and the Hawaii Regional Council of Carpenters testified in support of this measure. The Electrical Contractor's Association of Hawai'i opposed this measure. The Department of Labor and Industrial Relations; Hawaiian Electric Company, Inc.; Maui Electric Company, Ltd.; Hawai'i Electric Light Company, Inc.; General Contractors Association of Hawai'i; and Subcontractors Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the liability provisions in this measure apply specifically to private works that are not subject to Chapter 104, Hawaii Revised Statutes;

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- (2) Specifying that a general contractor's liability shall not include any fringe benefit claims that result from or are caused by the general contractor retainage of compensation to the subcontractor pending completion of satisfactory performance;
- (3) Changing the requirements for notification to a general contractor and subcontractor prior to commencement of an enforcement suit by a joint labor-management cooperation committee;
- (4) Specifying that any action by a party shall be filed within one year, rather than two years, after actual completion of the work; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the intent of this measure is to address the more extraordinary issues rather than the routine oversight of projects.

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. 1082, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1082, S.D. 2, H.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



AARON LING JOHANSON, Chair



