

STAND. COM. REP. NO.

1040

Honolulu, Hawaii

MAR 1 - 2019

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

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1082, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WAGES,"

begs leave to report as follows:

The purpose and intent of this measure is to make general contractors entering into or under contracts in Hawaii for work on buildings or structures liable for debt incurred by subcontractors for wages due to claimants for performance of labor in the contract between the general contractor and owner.

Your Committee received testimony in support of this measure from Pacific Resource Partnership, Hawaii Regional Council of Carpenters, and Hawai'i Construction Alliance. Your Committee received testimony in opposition to this measure from the Subcontractors Association of Hawaii. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that under existing law, general contractors are not held liable for the unfair labor practices of their subcontractors, including the nonpayment of wages. As a result, employees of subcontractors are, in certain instances, not being adequately compensated for work they provide. This measure will allow general contractors to require their subcontractors to furnish payroll records and other relevant documents upon request

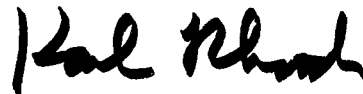


so that general contractors can ensure that the subcontractors' employees are being properly paid, allow general contractors to withhold any future payments to their subcontractors unless the requested information is provided, and hold general contractors liable if their subcontractors do fail to properly pay their employees. This will ensure that general contractors take precautions in hiring and monitoring their subcontractors if they want to avoid being liable for their subcontractors' debts and will help protect the workers from unfair labor practices.

Your Committee has amended this measure by inserting an effective date of March 15, 2094, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1082, S.D. 2.

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



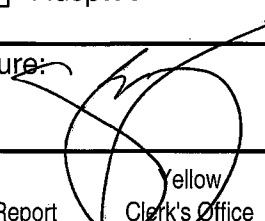
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KARL RHOADS, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary**  
**JDC**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1082 SD1	LCA, JDC	2/26/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
WAKAI, Glenn (VC)	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
FEVELLA, Kurt				✓
<b>TOTAL</b>	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes