

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR



JADE T. BUTAY  
DIRECTOR

WILLIAM G. KUNSTMAN  
DEPUTY DIRECTOR

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA

April 3, 2024

To: The Honorable Kyle T. Yamashita, Chair,  
The Honorable Lisa Kitagawa, Vice Chair, and  
Members of the House Committee on Finance

Date: Wednesday, April 3, 2024  
Time: 2:15 p.m.  
Place: Conference Room 325, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. 2615 SD1 HD2 RELATING TO COUNTY LABOR STANDARDS**

The **DLIR supports** the HD2 that authorizes the counties to enact ordinances requiring employers to disclose wage, hours, benefit information, and employment status and deny, revoke or suspend building permits based on violations of Federal or State labor laws or related judicial orders. If enacted, such ordinances would supplement State and Federal labor laws and could play a complementary role in encouraging adherence to labor laws designed to protect the welfare and livelihood of our local workforce.

**COUNTY COUNCIL**

Mel Rapozo, Chair  
KipuKai Kualii, Vice Chair  
Addison Bulosan  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Bill DeCosta  
Ross Kagawa



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kaua'i, Hawai'i 96766

April 2, 2024

**TESTIMONY OF ADDISON BULOSAN  
COUNCILMEMBER, KAUAI COUNTY COUNCIL**

**ON**

**SB 2615, SD 1, HD 2, RELATING TO COUNTY LABOR STANDARDS**

House Committee on Finance

Wednesday, April 3, 2024

2:15 p.m.

Conference Room 308

Via Videoconference

Dear Chair Yamashita and Members of the Committee:

Thank you for this opportunity to provide testimony in SUPPORT of SB 2615, SD 1, HD 2, Relating to County Labor Standards. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

I wholeheartedly support the intent of SB 2615, SD 1, HD 2, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of SB 2615, SD 1, HD 2. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov).

Sincerely,

ADDISON BULOSAN  
Councilmember, Kaua'i County Council

AAO:slr

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins



Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

April 2, 2024

TO: Honorable Kyle T. Yamashita, Chair, and  
Members of the House Committee on Finance

FROM: Nohelani U'u-Hodgins *Nohelani U'u-Hodgins*  
Councilmember

SUBJECT: **TESTIMONY IN SUPPORT OF SB 2615, SD1, HD2, RELATING TO  
COUNTY LABOR STANDARDS**

DATE: Wednesday, April 3, 2024  
2:15 p.m., Conference Room 308

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure authorizes counties to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status and deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status, under certain conditions.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

SB 2615, SD1, HD2, will give each county the power to require employers to disclose information regarding employees' employment status, wages, benefits, and hours and, if in violation, have the ability to deny, revoke, or suspend a building permit application.

April 2, 2024  
Page 2

Many hard-working men and women are victimized by an “underground economy” where individuals and businesses utilize schemes to conceal or misrepresent their employee population to avoid one or more of their employer responsibilities related to wages, payroll taxes, insurance, licensing, safety, or other regulatory requirements.

It has become increasingly evident that labor violations have a detrimental impact on the livelihoods of our local workforce and the overall success of our communities. Counties can play an important role in stopping unlawful employers who take advantage of workers by not paying them earned wages and benefits.

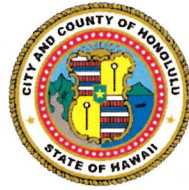
I urge you to lend your support to SB 2615, SD1, HD2. By giving counties the power to require that employers disclose this important information, we take a significant step toward protecting our local workforce and ensuring the well-being of individuals and their families.

Mahalo for the opportunity to submit testimony in support of SB 2615, SD1, HD2.

OFFICE OF THE MAYOR  
KE KE'ENA O KA MEIA  
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • INTERNET: [www.honolulu.gov](http://www.honolulu.gov)

RICK BLANGIARDI  
MAYOR  
MEIA



MICHAEL D. FORMBY  
MANAGING DIRECTOR  
PO'O HO'OKELE  
  
KRISHNA F. JAYARAM  
DEPUTY MANAGING DIRECTOR  
HOPE PO'O HO'OKELE

April 2, 2024

The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
and Members of the Committee on Finance  
Hawaii State House of Representatives  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee on Finance:

**Subject: SB 2615 SD1 HD2, Relating to County Labor Standards**

The City and County of Honolulu (City) respectfully asks for your **support** of SB2615 SD1 HD2.

SB2615 would allow each county to adopt labor standards, including wages, benefits, and other requirements for participation in state-approved apprenticeship programs. The City and County of Honolulu would look forward to set and adjust standards in order to support our local workforce in a way that ensures the needs of each county is met and the labor laws of the State of Hawaii are followed. Greater authority to enforce compliance and allow for additional transparency is appreciated.

Thank you for the opportunity to testify in support of this measure, please do not hesitate to contact the undersigned if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael D. Formby".

Michael D. Formby  
Managing Director

Council Chair  
Alice L. Lee



Director of Council Services  
David M. Raatz, Jr., Esq.

Vice-Chair  
Yuki Lei K. Sugimura

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

Presiding Officer Pro Tempore  
Tasha Kama

## COUNTY COUNCIL

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins

COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

April 2, 2024

TO: Honorable Kyle T. Yamashita, Chair  
Honorable Lisa Kitagawa, Vice Chair, and  
Members of the House Committee on Finance

FROM: Thomas Cook  
Councilmember

A handwritten signature in blue ink, appearing to read "Thomas Cook".

SUBJECT: **TESTIMONY IN SUPPORT OF SENATE BILL 2615 SD 1, HD 2  
RELATING TO COUNTY LABOR STANDARDS**

Thank you for the opportunity to testify in **support** of Senate Bill 2615 SD 1, HD 2 relating to County Labor Standards. This measure allows the Counties to have the power to adopt labor standards by amending Section 46-1.5 of the Hawaii Revised Statutes.

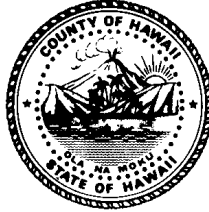
The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. The measure authorizes each county to have the power to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status.
2. The measure allows the counties to be leaders for change, standing up for the working people, their families, and their community.
3. Labor law violations in areas such as labor, employment, tax, insurance, and occupational safety negatively impact hardworking families when businesses fail to comply with fair labor standards. If passed, the measure can provide counties with a policy tool to drive labor compliance and higher labor standards in their community.

For the foregoing reasons, I support this measure.

**Dr. Holeka Goro Inaba**  
Council Member, District 8, N. Kona



Office: (808) 323-4280  
Email: holeka.inaba@hawaiicounty.gov

## HAWAI'I COUNTY COUNCIL

County of Hawai'i  
West Hawai'i Civic Center, Bldg. A  
74-5044 Ane Keohokalole Hwy.  
Kailua-Kona, Hawai'i 96740

April 3, 2024

COMMITTEE ON FINANCE  
Rep. Kyle T. Yamashita, Chair  
Rep. Lisa Kitagawa, Vice Chair

Re: Support for SB2615 Relating to County Labor Standards  
Hearing: April 3, 2024 at 2:15 p.m.

Aloha,

Thank you for allowing me to reiterate our support for SB2615. This measure would authorize the counties to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status and deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status, under certain conditions.

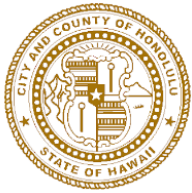
This bill grants the county authority to establish labor standards tailored to its specific needs. By allowing counties to set standards for living wages, benefits, and requirements for participation in state-approved apprenticeship programs, it aims to address local workforce issues and potentially improve conditions for workers across the state.

We strongly urge you to pass SB2615.

Sincerely,

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DR. HOLEKA GORO INABA, Council Member  
District 8, North Kona



# HONOLULU CITY COUNCIL

**KE KANIHELA O KE KALANA O HONOLULU**

530 S. KING ST. STE. 202, HONOLULU, HI 96813

**TYLER DOS SANTOS-TAM**  
HONOLULU CITY COUNCIL  
DISTRICT VI  
TELEPHONE: (808) 768-5006  
FAX: (808) 768-1176  
EMAIL: tdossantos-tam@honolulu.gov

April 2, 2024

House Committee on Finance  
Representative Kyle T. Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair  
And Members  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Kitagawa, and Members,

I write to **support SB 2615, SD1, HD2**, Relating to County Labor Standards. The bill proposes to grant counties the power to “adopt labor standards, including but not limited to living wages, benefits, and requirements for participation in state-approved apprenticeship programs, provided that the labor standards adopted by the counties do not directly conflict with labor standards established by the State.”

The City and County of Honolulu enacted Ordinances 19-24 and 20-14, which set up the terms and conditions for “citywide community workforce agreements,” for certain City projects exceeding \$2M. The workforce agreements contain several key terms relating to labor standards, such as prohibiting discrimination on any basis prohibited by federal, State, or local law; resolving disputes by a mandatory, final, and binding arbitration procedure; a requirement against strikes, picketing, lockouts, and other labor actions; a requirement for apprentices to be indentured in a State-approved apprenticeship program; and the incorporation of the “Helmets to Hardhats” program, which creates pathways for careers in construction to returning veterans. For private projects, the City and County of Honolulu have extensive permitting requirements, monitored by building inspectors from the Department of Permitting and Planning.

Such requirements would empower the inspectors who visit construction sites to verify labor standards, such as wages, benefits, and apprenticeship standards. As you may have seen in the news, there have been many instances of construction projects occurring with labor abuses – including workers being subjected to unsafe conditions, wage theft, and being denied required benefits. There have been further allegations, including within my district, about immigrant construction workers on residential properties having their passports withheld or being required to live on job sites during construction of residential properties.

If the Counties had the power to adopt labor standards, with enforcement via existing City inspectors, we would be able to stop these unscrupulous actors more quickly, versus engaging in a multiagency enforcement process, as is the case now.

Mahalo nui for the opportunity to provide these comments in support of SB2615.

Me ka mahalo,

A handwritten signature in black ink that reads "Tyler Dos Santos-Tam". The signature is written in a cursive style.

Tyler Dos Santos-Tam  
Councilmember, District 6



Testimony of  
Pacific Resource Partnership

House Committee On Finance  
Representative Kyle T. Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair

SB 2615 SD1, HD2—Relating To County Labor Standards  
Wednesday, April 3, 2024  
2:15 P.M.

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 250 diverse contractors ranging from mom-and-pop owned businesses to national companies.

PRP writes in **support** of SB 2615 SD1, HD2, which allows, not requires, each county to have the power to adopt labor standards. **We recommend an amendment to narrow the scope of this legislation to apply to the construction industry by replacing the term “employers” with “contractors as defined by Section 444-1, HRS”.**

The hard-working men and women in the counties are victimized by an “underground economy” where individuals and businesses utilize schemes to conceal or misrepresent their employee population to avoid one or more of their employer responsibilities related to wages, payroll taxes, insurance, licensing, safety, or other regulatory requirements. The Maile Sky Court hotel-condo project in Waikiki is an example of the underground economy at work in the state. This was a \$25 million renovation project awarded to unscrupulous contractors who violated labor and licensing laws. On August 29, 2016, the joint enforcement working group raided the project which resulted in the following:

- Department of Labor and Industrial Relations issued a \$767,095 fine to R&R Construction for failing to provide prepaid health care, temporary disability, and workers' compensation insurance to employees.
- The U.S. Department of Labor ordered R&R Construction to pay workers \$371,376 in back wages and damages for overtime violations.
- RICO issued Selby Construction Services a \$25,000 fine for unlicensed activity.
- Ron's Electrical Services (sub) issued a \$10,000 fine for unlicensed activity.
- RICO issued TRG Construction a \$25,000 fine for unlicensed activity.

Unfortunately, fines issued by federal and state agencies did not stop unscrupulous contractors from completing this project, and these types of situations occur throughout the state. If, however, counties have the power to adopt and enforce ordinances allowing building officials to deny, revoke, or suspend a building permit application or permit for violating laws related to wages, benefits, hours, and employment status, property owners and developers are more likely to carefully select law-abiding contractors to build their projects.



**(Continued From Page 1)**

As such, we respectfully request your favorable decision on this measure. Thank you for this opportunity to submit written testimony.



745 Fort St. Mall  
17<sup>th</sup> Floor  
Honolulu, HI 96813

808-521-9500  
NFIB.com

April 2, 2024

TO: Representative Kyle T. Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair  
Members of the Committee on Finance

FR: Michael Iosua, State Director  
NFIB, Hawaii Chapter

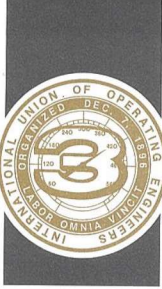
RE: **COMMENTS** on SB 2615, HD2 – RELATING TO COUNTY LABOR STANDARDS  
Hearing date – April 3, 2024, at 2:15 PM

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the committee,

Mahalo for the opportunity to provide comments on behalf of NFIB's Hawaii Chapter to SB 2615, HD2 – RELATING TO COUNTY LABOR STANDARDS. NFIB is a nonprofit, nonpartisan, and member-driven organization exclusively dedicated to small and independent businesses. With members in all four counties, NFIB's Hawaii chapter advocates on issues that affect Hawaii's small and independent business owners.

SB 2615, HD2 would authorize the counties to require employers to disclose certain information about a companies' employees including employees' wages, benefits, hours, and employment status. Penalties for violating certain labor laws would include the ability to deny, revoke, or suspend a building permit application for violating laws, under certain conditions.

While NFIB understands the need for these types of employees information as it relates to construction projects, NFIB requests that the county disclosure applies to the construction industry. Accordingly, we recommend this rule apply only to contractors as defined in § 444-1, Hawaii Revised Statute.



## OPERATING ENGINEERS LOCAL UNION No. 3

2181 LAUWILIWILI STREET, KAPOLEI, HI 96707 • (808) 845-7871 • FAX (808) 682-0906

Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

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April 1, 2024

Honorable Kyle T. Yamashita, House Committee on Finance, Chair  
Honorable, Lisa Kitagawa, House Committee on Finance, Vice Chair  
Honorable Members of the House Committee on Finance,

**RE: SB 2615 SD1 HD2: RELATING TO COUNTY LABOR STANDARDS.**

Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance,

My name is Ana Tuiasosopo. I am the District Representative and Trustee for Operating Engineers Local 3. We are the largest Construction Trades Local in the United States. I and the members of Operating Engineers Local 3 strongly support SB 2615 SD1 HD2 and ask that SB2615 be amended.

This measure will allow the counties to require "contractors" to disclose important information and allow counties to deny, revoke, or suspend building permit applications of contractors who are found in violation of laws relating to wages and benefits. We believe wage fraud is a serious issue in Hawaii's construction industry, and we would hope that the committee could narrow the scope of this measure to concentrate on "**contractors**" as defined in HRS section 444-1 rather than all "**employers**"...as we have documented evidence of "contractor" wage fraud.

We humbly ask for your support and approval of SB 2615 SD1 HD2 and amend the word "Employers" to "Contractors."

Sincerely,

Ana Tuiasosopo  
Hawaii District Representative, Trustee  
Hawaii Operating Engineers Local 3



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308  
Tuesday, April 2, 2024 AT 2:15 P.M.

To The Honorable Representative Kyle T. Yamashita, Chair  
The Honorable Representative Lisa Kitagawa, Vice Chair  
Members of the Committee on Finance

## OPPOSE SB2615 SD1 HD2 RELATING TO COUNTY LABOR STANDARDS

The Maui Chamber of Commerce offers testimony to **OPPOSE SB2615 SD1 HD2**.

The Maui Chamber of Commerce notes that the bill does not have a stated purpose to this proposal, nor a reason why this is needed. It is difficult to determine the impetus of a proposal when nothing is stated in the documentation.

That being said, we feel, that for section A of the proposed language, a county does not need to review employer/employee information as we already have a state agency, the Department of Labor and Industrial Relations (DLIR,) that reviews this information. DLIR already handles enforcement of illegal labor practices. Having the county also be tasked with enforcement is redundant.

We appreciate that the prior committee took our concerns and added language that a violation had to be an official determination by DLIR, US Department of Labor or judicial order before action should be taken. We agree that if there are bad actors, they should be appropriately punished for violating the laws. However, we are concerned that this may have significant unintended consequences for individuals who unknowingly hire someone with bad business practices.

For these reasons we **OPPOSE SB2615 SD1 HD2** and respectfully request it be deferred.

Sincerely,

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Finance  
Wednesday, April 3, 2024 at 2:15PM  
Conference Room 308 & via Videoconference**

**RE: SB2615 SD1 HD2 Relating to County Labor Standards**

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **submits comments with concerns regarding SB2615 SD1 HD2**, which authorizes the counties to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status and deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status, under certain conditions.

The Chamber is concerned that allowing counties to adopt their own labor laws could create inconsistency and confusion for employers, especially those with employees in multiple counties. This will affect small and large businesses that complete projects in different counties. This may have the unintended consequence of deterring businesses from expanding throughout the state in order to avoid incurring legal fees and implementing complicated human resource policies for each county. Finally, the intent of the bill is unclear, thus we recommend that it be more narrowly tailored to address the specific concern or industry it seeks to address.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.



**Testimony to the House Committee on Finance**

Rep. Yamashita, Chair  
Rep. Kitagawa, Vice Chair

**Wednesday, April 3, 2024 at 2:15PM**  
**Conference Room 308 & via Videoconference**

**RE: SB2615 SD1 HD2 Relating to County Labor Standards**

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Society of Human Resource Management (SHRM) Hawaii appreciates the opportunity to provide **comments on SB2615 SD1 HD2 Relating to County Labor Standards**, which authorizes the counties to require employers to disclose information regarding wages, benefits, hours, and employment status of its employees and deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status, under certain conditions.

SHRM Hawaii suggests the committee consider amending the bill to switch the proposed paragraphs "A" and "B", thereby to limit the counties' exercise of powers under the new "B", solely in furtherance of the powers enumerated in old "B". An addition to the new "B" is iterated in bold italics, as well as the full suggested amendment below:

(28) Each county shall have the power to:

(A) Deny, revoke, or suspend a building permit application if an employer is found to be in violation of laws as determined by the department of labor and industrial relations, United States Department of Labor, or judicial order relating to wages, benefits, hours, and employment status;

**and**



(B) Require employers **working on permitted building projects** to disclose information regarding its employees' wages, benefits, hours, and employment status.

We appreciate and understand the intent of this bill to protect employees, however, we have concerns that this measure is not a reasonable or manageable approach for employers.

SHRM Hawaii serves and represents nearly 600 members and employers' statewide and human resource management is a critical component to the success and survival of the many businesses that make up our local economy. HR professionals are responsible for evaluating and balancing the needs of both the employers and employees and caring for businesses' most valuable asset: the working people of our state.

Thank you for this opportunity to provide testimony.

Rosanne Nolan  
Legislative Affairs Committee Co-Chair

Erin Kogan  
Legislative Affairs Committee Co-Chair

