STAND. COM. REP. NO. 204

Honolulu, Hawaii

MAR - 3 2006

S.B. No. 2209 RE:

S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2209 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC WORKS,"

begs leave to report as follows:

The purpose of this measure is to ensure that workers on public work projects are paid prevailing wages, regardless of whether the public work project was directly built or developed by a governmental contracting agency.

Specifically, the measure requires the Department of Labor and Industrial Relations (Department) to enforce the laws of chapter 104 (wages and hours on public work projects), Hawaii Revised Statutes, and to collect and maintain the certified copies of payrolls for any public work project subject to chapter 104, Hawaii Revised Statutes, that was not directly built or developed by a governmental contracting agency.

Your Committee finds that contractors on certain public work projects have been able to avoid compliance with prevailing wages laws, largely due to a lack of monitoring and enforcement. Your Committee also finds that certain public work projects, including those that are funded through the use of special purpose revenue bonds, lack an identifiable governmental contracting agency. Consequently, contractors on public work projects without a governmental contracting agency are able to avoid compliance with the law, as there is no entity to enforce or monitor compliance with chapter 104, Hawaii Revised Statutes.

Your Committee has amended the measure by:

- (1) Placing the proposed new language into a separate new section of law within the same chapter rather than inserting it into section 104-2, Hawaii Revised Statutes; and
- (2) Changing the effective date from upon approval to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2209, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2209, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

BRIAN T. TANIGUCHI, Chair

## The Senate Twenty-Third Legislature State of Hawaii

## Record of Votes of the Committee on Ways and Means (Bills and Resolutions)

Measure:* SB 2209	Committee Referral:  LBR/TGO, WAI	Date:	Date: 2/21/06	
The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:				
The Recommendation is to:				
Pass, unamended (2312)	(2311) (2310) (2313)			
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)				
TSUTSUI, Shan S. (VC)				
ENGLISH, J. Kalani				
ESPERO, Will				
FUKUNAGA, Carol				
HOOSER, Gary L.				
INOUYE, Lorraine R.				
KANNO, Brian	/			
KIM, Donna Mercado			<del>,</del> .	
KOKUBUN, Russell S.				
NISHIHARA, Clarence K.		-		
SAKAMOTO, Norman				
HEMMINGS, Fred				
SLOM, Sam			<u> </u>	
TRIMBLE, Gordon				ľ
			· · · · · · · · · · · · · · · · · · ·	
TOTAL	13	0	<u> </u>	1
Recommendation:  Adopted  Not Adopted				
Chair's or Designee's Signature:				
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy				

<sup>\*</sup>Do not list more than one measure per Record of Votes.