STAND. COM. REP. NO. /035

Honolulu, Hawaii MAR 13 2007

RE: H.B. No. 853 H.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred H.B. No. 853, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS,"

begs leave to report as follows:

The purpose of this measure is to clarify that a prevailing wage law violation by a contractor on one project counts as one violation of chapter 104, Hawaii Revised Statutes (HRS), and that each prevailing wage law violation by the same contractor on one or more different projects will each count as another violation so that multiple prevailing wage law violations can occur on a single project or on multiple projects, even though the projects were all occurring at about the same time.

Testimony in support of this measure was received from the Hawaii Building and Construction Trades Council, Hawaii State AFL-CIO, International Union of Elevator Constructors, Laborers' Union Local 368, Iron Workers, Plumbers-Fitters Local 675 and one individual. Testimony in opposition was received from the Department of Labor and Industrial Relations, Building Industry Association, Healy Tibbitts Builders, Inc., King & Neel, Inc., Rons Construction Corporation, KAIKOR Construction Company, Inc., S&M Sakamoto, Inc., Koga Engineering & Construction, Inc., Hawaiian Dredging Construction Company, Royal Contracting Co., Ltd., Ralph S. Inouye Co., Ltd., General Contractor, A-1 A-Lectrician, Inc., and MEI Corp.

All testifiers agreed that no contractor should be allowed to skirt the prevailing wage law that is intended to protect the worker on the same or on different projects. Therefore, your Committee finds that amending the law to clarify that one violation on a single project will constitute the first violation and that further violations on the same or on another project by the same contractor will constitute the second, third, or more violations by the same contractor for purposes of enforcement and increased penalties. Thus, even if the contractor has more than one project that is subject to the prevailing wage law requirements, and violates the law on each project, even though the violation may occur on the same day, each violation will be counted as a separate violation and be used against the contractor as a repeat violator of the prevailing wage law for enforcement purposes.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, Your Committee is in accord with the intent and purpose of H.B. No. 853, H.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

CLAYTON HEE, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Judiciary and Labor JDL

1	Committee Referral:		Date:	
HB 853 402	<u> </u>	J	1-12-	07
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	<u> </u>			
KOKUBUN, Russell S. (VC)				V
INOUYE, Lorraine R.				
NISHIHARA, Clarence K.				
GABBARD, Mike				
TOTAL	3			2
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature: . Clause K Duskihere				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				