STAND. COM. REP. NO. 501

Honolulu, Hawaii

-c-16, 2007

RE: H.B. No. 33 H.D. 2

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 33, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII LIVING WAGE LAW," begs leave to report as follows:

The purpose of this bill is to ensure that public funds used for contracted services provide a living wage to the persons providing the services by:

- (1) Establishing a living wage of \$9.43 an hour, to be recalculated every year by the Department of Labor and Industrial Relations (DLIR);
- (2) Requiring that contractors pay at least the living wage to employees providing services under the contract; and
- (3) Providing for enforcement of the law.

The Hawaii State AFL-CIO and ILWU Local 142 testified in support of this bill. The Arc in Hawaii testified in opposition to this measure. DLIR commented on this bill.

Your Committee finds that when government funds are being used to pay wages, these wages should, at a minimum allow the persons providing these services under the contract to live at or above the federal poverty level.

However, your Committee finds that this measure may have the effect of reducing the ability of nonprofits to provide services to the needy and respectfully requests the Committee on Finance to examine this issue further.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2059, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 33, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 33, H.D. 2.

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

ALEX M. SONSON, Chair

HSCR 501

## State of Hawaii House of Representatives The Twenty-fourth Legislature

## Record of Votes of the Committee on Labor & Public Employment

| Bill/Resolution No.:  HB 33 HD 1   | Date:  | 2-18-07                            |                      |            |
|--|--|------------------------------------|----------------------|------------|
| Committee Referral: EDB,LAB,FIN  | ☐ The committee is reconsidering its previous decision on the measure. |                                    |                      |            |
| The recommendation is to:  Pass, unamended   | Pass, with amendments  |                                    |                      |            |
| ☐ Hold   | Ö  | Pass, with amendment consideration | s, for recommittal f | or further |
| LAB Members  | Ayes   | Ayes (WR)                          | Nays                 | Excused    |
| 1. SONSON, Alex M. (C)   | <b>'</b>   |                                    |                      |            |
| 2. NAKASONE, Bob (VC)  | _  |                                    |                      |            |
| 3. EVANS, Cindy  |  |                                    |                      |            |
| 4. HAR, Sharon E.  | pto m  |                                    |                      |            |
| 5. LEE, Marilyn B.   | /  |                                    |                      |            |
| 6. LUKE, Sylvia  | /  |                                    |                      |            |
| 7. McKELVEY, Angus L.K.  | ~  |                                    |                      |            |
| 8. NISHIMOTO, Scott Y.   |  |                                    |                      |            |
| 9. SOUKI, Joseph M.  | /  |                                    |                      |            |
| 10. TAKAMINE, Dwight Y.  | <b>/</b>   | :                                  |                      |            |
| 11. TAKUMI, Roy M.   |  |                                    |                      |            |
| 12. MEYER, Colleen Rose  |  | <b>'</b>                           |                      |            |
| 13. PINE, Kymberly Marcos  |  |                                    |                      |            |
| TOTAL  | 10   | 2                                  | · ·                  | (          |
| The recommendation is:  Adopted  If joint referral,  commendation is:  Vice Chair's or designee's signature: |  |                                    | ort recommendation   |            |
| <b>Distribution:</b> Original (White) – Committee D  | rupiicate ( i ei   | low) – Clerk's Office              |                      |            |