

LINDA LINGLE
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**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
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LATE

TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
LABOR & PUBLIC EMPLOYMENT
ON
March 17, 2009

S.B. 1125, S.D. 2

RELATING TO PROCUREMENT

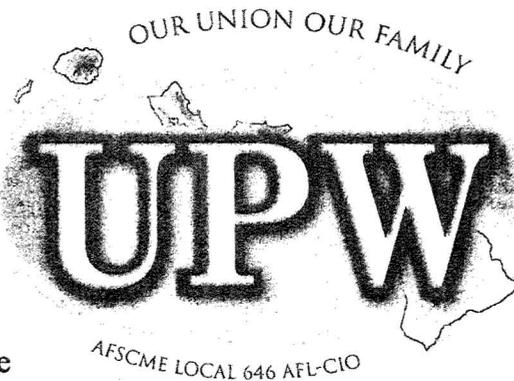
Chair Rhoads and members of the Committee, thank you for the opportunity to testify on S.B. 1125, S.D.2.

The Department of Accounting and General Services (DAGS) opposes S.B. 1125, S.D.2 because it will disadvantage construction contractors that do not have certified apprentice programs and will unnecessarily increase the administration and/or oversight responsibilities of government contracting agencies.

There are currently over 18 State-certified apprentice programs. These are aimed at workforce development, and are certified by the Department of Labor and Industrial Relations. However, all of these programs, except one, are based on trade groups that have collectively bargained contracts. If solicitations of public works contracts give preference to contractors with certified apprentice programs, the State's ability to have an open bidding process would be jeopardized and bidding on public works projects would

unfairly favor those companies with certified apprentice programs. This may eliminate small and other construction firms that do not have a certified apprentice program.

Thank you for the opportunity to testify on this matter.



LATE

House of Representatives
The Twenty-Fifth Legislature
Regular Session 2009

Committee on Labor & Public Employment

Rep. Karl Rhoads, Chair
Rep. Kyle Yamashita, Vice Chair

DATE: Tuesday, March 17, 2009
TIME: 8:30 a.m.
PLACE: Conference Room 309

**TESTIMONY OF THE UNITED PUBLIC WORKERS, AFSCME, LOCAL 646, AFL-CIO
ON SB 1125, SD2, RELATING TO PROCUREMENT**

SB 1125, SD2, requires all offerors and subcontractors for construction contracts subject to the state procurement code to maintain or participate in a bona fide, state-approved apprenticeship program at the time of general bidding. **The United Public Workers, Local 646, supports this measure.**

This is first and foremost a safety issue. There is widespread appreciation for apprenticeship programs for their role in not only providing qualified skills training but also for their emphasis on work safety. With funds from the federal economic stimulus package on a “use it or lose it” condition and guided by an accelerated timeline, there may be a rush to award contracts to bidders regardless of the experience or skill of its workers. This measure ensures that our state will be provided with an efficient, well-trained, safety-minded workforce on projects with a value of \$250,000 or more.

For this reason we urge the passage of SB 1125, SD2.

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