STAND. COM. REP. NO. 192

Honolulu, Hawaii

Fey11, 2009

RE: H.B. No. 1289 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1289 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is ensure that a well-trained workforce will be available for future construction projects by requiring all offerors and subcontractors for public works construction contracts with a total estimated contract value of \$100,000 or more to maintain or participate in a bona fide, state-approved apprenticeship program at the time of general bidding.

The Hawaii Carpenters Union, ILWU Local 142, and Operating Engineers Joint Apprenticeship Committee testified in support of this bill. The Laborers' International Union of North America, Local 368 supported the intent of this measure. The Department of Labor and Industrial Relations (DLIR), Department of Accounting and General Services, General Contractors Association of Hawaii, Building Industry Association-Hawaii, and a concerned individual testified in opposition to this bill.

As public works are expected to play a large role in immediate, as well as longer term, economic recovery efforts, it will be essential for the state to have a well-trained construction workforce. While bidders on a public work are not currently required to have established apprenticeship programs as part of their eligibility, establishing apprenticeship program

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requirements for a public works project can ensure that a skilled construction workforce will be maintained for years to come.

However, your Committee understands the concern raised by DLIR that there is ambiguity in the amount of time a contractor or subcontractor must have previously participated in an apprenticeship program as one of the factors in determining a bidder's maintenance or participation in a bona fide apprenticeship program. Accordingly, your Committee has amended this measure by requiring the contractor or subcontractor to have participated in an apprenticeship program for a period of not less than six months in duration.

Technical, nonsubstantive amendments were also made 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. 1289, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1289, H.D. 1, and be referred to the Committee on Economic Revitalization, Business, & Military Affairs.

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

KARL RHOADS, Chair

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State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 1289	Committee Referral:	IN Dat	e: 2 - 6-0°	ń
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)				
2. YAMASHITA, Kyle T. (VC)				
3. AQUINO, Henry J.C.		A CONTRACTOR OF THE CONTRACTOR		
3. AQUINO, Henry J.C.				
4. AWANA, Karen Leinani				
5. HANOHANO, Faye P.				100
6. KEITH-AGARAN, Gilbert S.C.				
7. LEE, Marilyn B.		Today 18 says		
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8. NAKASHIMA, Mark M.				
9. SAIKI, Scott K.				
10. SOUKI, Joseph M.				
10. SOUKI, Joseph W.				
11. TAKUMI, Roy M.				-
12. PINE, Kymberly Marcos				
	17			
TOTAL (12)	70		process	2
The recommendation is: Adopted If joint referral, did not support recommendation. Sommittee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				