

**PRESENTATION OF THE  
CONTRACTORS LICENSE BOARD**

**TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE**

**TWENTY-FIFTH LEGISLATURE  
Regular Session of 2010**

**Monday, February 8, 2010  
2:00 p.m.**

**TESTIMONY ON HOUSE BILL NO. 2897, RELATING TO CONTRACTORS.**

**TO THE HONORABLE ROBERT N. HERKES, CHAIR,  
AND MEMBERS OF THE COMMITTEE:**

My name is Denny Sadowski, Legislative Committee Chair of the Contractors License Board ("Board"). Thank you for the opportunity to present testimony on House Bill No. 2897, which proposes to make it a licensing violation for a contractor to knowingly and intentionally employ a person who is not eligible to work in the United States on any project, not just public work projects. The Board has concerns with this bill.

To give you some background on this measure, last year House Bill No. 643 was introduced which proposed to require the Department of Labor and Industrial Relations to investigate and enforce complaints relating to the employment of ineligible workers. This bill evolved into Act 145, which made it a licensing violation for contractors to knowingly employ ineligible persons on public work projects.

As the Board testified last year, we question the need for penalties specific to contractors. There are federal statutes and enforcement agencies already in place to address this issue, and employers must submit employment verification forms indicating that the individual is authorized to work in the U.S. We feel that any employer using

ineligible workers should be dealt with by the proper authorities, whether or not the employer is a contractor.

Thank you for the opportunity to testify on House Bill No. 2897.



# HAWAI'I CIVIL RIGHTS COMMISSION

830 PUNCHBOWL STREET, ROOM 411 HONOLULU, HI 96813 • PHONE: 586-8636 FAX: 586-8655 TDD: 568-8692

February 8, 2010  
Rm. 325, 2:00 p.m.

To: The Honorable Robert N. Herkes, Chair  
Members of the House Committee on Consumer  
Protection and Commerce

From: Coral Wong Pietsch, Chair  
and the Commissioners of the Hawai'i Civil Rights Commission

RE: H.B. No. 2897

The Hawai'i Civil Rights Commission (HCRC) has enforcement jurisdiction over Hawai'i's laws prohibiting discrimination in employment, housing, public accommodations, and access to State and State-funded services. The HCRC carries out the Hawai'i constitutional mandate that no person shall be discriminated against in the exercise of their civil rights. Art. I, Sect. 5.

The HCRC opposes H.B. No. 2897 which would amend Hawai'i Revised Statutes § 444-17(22) to subject contractors on any project or operation who knowingly or intentionally employ workers who are not eligible to work in the United States to license revocation, suspension, or refusal to renew.

The reasons for HCRC opposition to H.B. 2897 are two-fold:

- 1) The proposed statute would result in the application of federal law standards in state law contexts, requiring state agencies and courts to interpret complex federal

laws that are better left to the appropriate federal agencies for enforcement.

- 2) The proposed prohibition and license revocation create a likelihood of increased ancestry / national origin discrimination in employment. If contractors face the serious penalties under state law as proposed, in addition to the sanctions faced under federal law, affecting their contractors' licenses and livelihood, it will encourage them to avoid the potential penalties by not hiring workers who appear to be non-native, foreign-born, or immigrant. This will result in unlawful discrimination against those whose language, accent, or other characteristics are not typically "American," creating a climate of discrimination against immigrant workers.

The HCRC opposes H.B. No. 2897, and urges the Committee to hold this measure.

Testimony In Support of  
HB2897  
Relating to Contractors

By  
Al Lardizabal, Director  
Government Relations  
Hawaii Laborers' Union

To the  
Committee on Commerce and Consumer Protection

Representative Robert Herkes, Chairman and Members of the Committee:

HB2897 subjects a contractor to revocation or suspension of its license for knowingly or intentionally employing a person who is not eligible to work in the United States under federal law to perform work on any project or program.

The Hawaii Laborers' Union supports this bill. We believe that it is the unscrupulous contractor that knowingly entices an ineligible worker to break U.S. laws should be penalized accordingly.

The passage of this bill into law will level the playing field for contractors that play by the rules. Bidding will be more competitive causing government to get better prices, decreasing cost to the Hawaii taxpayer and creating employment opportunities for Hawaii workers.

Thank you for the opportunity to submit this testimony.



## HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO

GENTRY PACIFIC DESIGN CENTER, STE. 215A • 560 N. NIMITZ HIGHWAY, #50 • HONOLULU, HAWAII 96817  
(808) 524-2249 • FAX (808) 524-6893

**NOLAN MORIWAKI**

*President*

Bricklayers & Ceramic Tile Setters

Local 1 & Plasterers/Cement

Masons Local 630

February 8, 2010

**JOSEPH O'DONNELL**

*Vice President*

Iron Workers Local 625

**DANIEL T. K. KIM**

*Financial Secretary*

International Brotherhood of

Electrical Workers Local 1186

**ARTHUR TOLENTINO**

*Treasurer*

Sheet Metal Workers I.A. Local 293

Honorable Representative Robert N. Herkes, Chair  
Honorable Representative Glenn Wakai, Vice Chair  
Members of the House Committee on Consumer Protection & Commerce  
Hawaii State Capital  
415 South Beretania Street  
Honolulu, HI 96813

**REGINALD CASTANARES**

*Trustee*

Plumbers & Fitters Local 675

RE: **IN SUPPORT OF HB 2897**  
RELATING TO CONTRACTORS.  
Hearing: Mon., February 8, 2010, 2:00 p.m., Room 325

**THADDEUS TOMEI**

Elevator Constructors Local 128

Dear Chair Herkes, Vice Chair Wakai and the House Committee on  
Consumer Protection & Commerce:

**MALCOLM K. AHLO**

Carpet, Uncolored, & Soft Tile

Local 1298

For the Record my name is Buzz Hong, the Executive Director for  
the Hawaii Building & Construction Trades Council, AFL-CIO. Our  
Council is comprised of 16-construction unions and a membership  
of 26,000 statewide.

**JOSEPH BAZEMORE**

Drywall, Tapers, & Finishers

Local 1944

Our Council SUPPORTS the passage of HB 2897 that subjects a  
contractor to revocation or suspension of license for knowingly or  
intentionally employing a person who is not eligible to work in the  
United States under federal law to perform work on any project or  
operation.

**RICHARD TAGGERE**

Glassers, Architectural Metal &

Glassworkers Local Union 1889

**RONAN KOZUMA**

Hawaii Teamsters & Allied

Workers Local 996

Thank you for the opportunity to submit this testimony in support  
of HB 2897.

**GARY AYCOCK**

Boilermakers, Ironship Builders

Local 627

Sincerely,

**LYNN KINNEY**

District Council 50

Painters & Allied Trades

Local 1791

*W. Hong dg*

**KALANI MAHOE**

Operating Engineers Local 3

William "Buzz" Hong  
Executive Director

**PETER GANABAN**

Laborers' International Union of North

America Local 358

WBH/dg

**DOUGLAS FULP**

International Association of

Heat & Frost Insulators

& Allied Workers Local 132

*Skilled Craftsmanship Makes the Difference.*