NEIL ABERCROMBIE GOVERNOR



STATE OF HAWAII DEPARTMENT OF PUBLIC SAFETY 919 Ala Moana Boulevard, 4th Floor Honolulu, Hawaii 96814 TED SAKAI DIRECTOR

Martha Torney Deputy Director Administration

Max Otani Deputy Director Corrections

Shawn Tsuha Deputy Director Law Enforcement

No.\_\_\_\_\_

#### TESTIMONY ON HOUSE CONCURRENT RESOLUTION 109 HOUSE RESOLUTION 80 URGING THE USE OF HAWAII-BASED UNION CONTRACTORS AND WORKERS FOR STATE CORRECTIONAL FACILITY CONSTRUCTION OR RENOVATION PROJECTS by

Ted Sakai, Director Department of Public Safety

House Committee on Public Safety Representative Henry J.C. Aquino, Chair Representative Kaniela Ing, Vice Chair

Thursday, March 20, 2014 11:00 a.m. State Capitol, Conference Room 309

Chair Aquino, Vice Chair Ing, and Members of the Committee:

The Department of Public Safety **supports the intent** of this measure and will proceed with construction and renovation projects in accordance with federal and State statutes, rules and regulations. As a State entity, we have an obligation to protect the rights of both public and contracted employees as provided by law.

Thank you for the opportunity to testify on this matter.

# SAH - Subcontractors Association of Hawaii 1188 Bishop St., Ste. 1003\*\*Honolulu, Hawaii 96813-2938 Phone: (808) 537-5619 & Fax: (808) 533-2739

March 20, 2014

- Testimony To: House Committee on Public Safety Representative Henry J.C. Aquino, Chair
- Presented By: Tim Lyons President
- Subject: HCR 109/HR 80 URGING THE USE OF HAWAII-BASED UNION CONTRACTORS AND WORKERS FOR STATE CORRECTIONAL FACILITY CONSTRUCTION OR RENOVATION PROJECTS.

Chair Aquino and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. The SAH represents the following nine separate and distinct subcontracting organizations.

HAWAII FLOORING ASSOCIATION ROOFING CONTRACTORS ASSOCIATION OF HAWAII HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION TILE CONTRACTORS PROMOTIONAL PROGRAM PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII PAINTING AND DECORATING CONTRACTORS ASSOCIATION PACIFIC INSULATION CONTRACTORS ASSOCIATION ELECTRICAL CONTRACTORS ASSOCIATION OF HAWAII We certainly believe that construction projects should be required to be in compliance with the Fair Labor Standards Act and we further find that in the interest of creating a level "playing field", contractors should be signatory to a project labor agreement or a collective bargaining agreement.

Based on the above we have no problem with this Resolution and we support it.

Thank you.



2240 Young Street Honolulu, HI 96826 Phone 808.941.0991 Fax 808.955.9091 Email info@dc50.org Website www.dc50.org

> PAINTERS 808.941.0991

GLAZIERS ARCHITECTURAL AND GLASS METAL WORKERS 808.946.3329

CARPET LINOLEUM AND SOFT TILE 808.942.3988

DRYWALL TAPERS FINISHERS 808.848.7766 International Union of Painters and Allied Trades District Council 50

> TO THE HOUSE COMMITTEE ON PUBLIC SAFETY TWENTY-SEVENTH LEGISLATURE REGULAR SESSION 2014



#### TIME/DATE: 11:00 A.M. - THURSDAY, MARCH 20, 2014

TESTIMONY IN SUPPORT OF HOUSE CONCURRENT RESOLUTION NO. 109 AND HOUSE RESOLUTION NO. 80 – "URGING THE USE OF HAWAII-BASED UNION CONTRACTORS AND WORKERS FOR STATE CORRECTIONAL FACILITY CONSTRUCTION OR RENOVATION PROJECTS."

#### TO CHAIR AQUINO AND MEMBERS OF THE HOUSE COMMITTEE ON PUBLIC SAFETY:

The International Union of Painters and Allied Trades, District Council 50, appreciates the opportunity to testify in **support** of House Concurrent Resolution No. 109 (HCR109) and House Resolution No. 80 (HR80) – "Urging the Use of Hawaii-based Union Contractors and Workers for State Correctional Facility Construction or Renovation Projects." My name is Lorna Woo, Director of Government Affairs, International Union of Painters and Allied Trades, District Council 50. This organization is comprised of five (5) unions, the Painters, Local Union 1791; the Glaziers Architectural and Glass Metal Workers, Local Union 1889; the Carpet Linoleum and Soft Tile, Local Union 1926; the Drywall, Tapers Finishers, Local Union 1944, and the Pearl Harbor Metal Trades, Local Union 1941, representing approximately 2000 members throughout the State of Hawaii.

I am writing in support HCR109 and HR80. District Council 50 (DC50) is continuing to recover from the effects of the recession. We have approximately 30 percent of our membership still on the bench and although work has been increasing, the rate of recovery still does not support the deployment of members going out to work.

The Governor realizes the need to build new infrastructure to house inmates and to bring those incarcerated outside of the state back to Hawaii. The conditions of many of the correctional facilities are in dire need of repair and expansion. There would be a direct impact on the local economy when existing structures are renovated and when new correctional facilities are built. These types of projects are long overdue and when implemented would generate construction work as well as create many permanent positions for local residents at these new facilities.

Thank you for the opportunity to testify and I humbly request you support the adoption of HCR109 and HR80.

1065 Ahua Street Honolulu, HI 96819 Phone: 808-833-1681 FAX: 839-4167 Email: <u>info@gcahawaii.org</u> Website: <u>www.gcahawaii.org</u>



Uploaded via Capitol Website

March 20, 2014

## TO: HONORABLE HENRY AQUINO, CHAIR, HONORABLE LINDA ICHIYAMA, VICE CHAIR AND COMMITTEE ON HIGHER EDUCATION

## SUBJECT: COMMENTS & REQUESTED AMENDMENTS REGARDING HCR 109/ HR 80, URGING THE USE OF HAWAII-BASED UNION CONTRACTORS AND WORKERS FOR STATE CORRECTIONAL FACILITY CONSTRUCTION OR RENOVATION PROJECTS.

#### HEARING

DATE: Thursday, March 20, 2014 TIME: 11:00 a.m. PLACE: Capitol Room 309

Dear Chair Aquino, Vice Chair Ing and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

We are writing to share our concerns and <u>request amendments</u> to House Resolution 80 and House Concurrent Resolution 109 (Resolutions) which urges the use of Hawaii-based Union contractors and workers for the state correctional facility construction or renovation projects. While GCA would like to see the overcrowding of state and local correctional facilities resolved and the safe reintegration of Hawaii's citizens into the community; we do not believe these Resolutions offer a solution to delivering such projects more efficiently by urging that a "union only" workforce construct these facilities. We respectfully request the attached amendments to address the concern regarding the use of local contractors and workforce.

We believe the proposed amendments will address the concern raised in the Resolutions regarding the use of a locally based workforce. Instead of a reference to project labor agreement (PLA) and a "union only" policy, which may violate equal protection, we suggest referencing the use of experienced contractors and subcontractors who have worked on similar projects.

House Committee on Public Safety March 20, 2014 Page 2

#### **Opposition to Government Mandated Project Labor Agreements**

The GCA is opposed to government mandated PLAs for publicly funded construction projects for the following reasons: (1) it discriminates against local open-shop (non-union) contractors and workers; (2) it allows out of state companies to infiltrate the local workforce without ever having contributed to the cost of training the local workforce in the past; and (3) questions remain as to how such a government mandated PLA would be implemented by the Department of Public Safety and how the State will respond to a situation where expected signatory unions do not sign on to the PLA, which will contribute to a higher likelihood of bid protests.

GCA supports free, open, and competitive bidding for all public works and publicly funded construction work – among all qualified firms, without regard to union or non-union affiliations. The use of government mandated PLAs on the state or county level, whether it will be implemented in bidding specifications, mandated by government rules, regulation or by Executive Order – would detrimentally compel both union and non-union contractors to alter their hiring practices, work rules, job assignments, and benefits in order to compete for or to perform work on publicly funded projects. This will result in increased bid prices. The Directive provided in the Resolutions would detrimentally infringe on private business management practices.

Thank you for the opportunity to share our concerns regarding the resolutions and we respectfully request that you consider our attached amendments.

H.C.R. NO./H.R. NO.

Proposed H.D. 1

#### HOUSE CONCURRENT

#### RESOLUTION

Urging the use of hawaii-based union contractors and workers for state correctional facility construction or renovation projects.

WHEREAS, the State of Hawaii is obligated to operate a system of correctional facilities to house those members of society who have been convicted of crimes and must be incarcerated for potential rehabilitation and to ensure the safety of society; and

WHEREAS, the State's correctional facilities are in need of repair and expansion; and

WHEREAS, most correctional facilities have reached or exceeded their maximum prisoner capacities, and the State has contracted with facilities in other states to hold Hawaii inmates; and

WHEREAS, the State needs to construct additional correctional facilities to hold Hawaii inmates who are currently held in other states; and

WHEREAS, state officials have indicated a desire to bring Hawaii inmates held in other states back to Hawaii; and

WHEREAS, the Governor has indicated that the State is seeking public-private partnerships to build additional correctional facilities; and

WHEREAS, the construction of any new correctional facility on state land must comply with state procurement and contracting laws and other state requirements; now, therefore, BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, the Senate concurring, that for the construction or renovation of any correctional facility in Hawaii, the state administration is urged to require:

(1) Compliance with the Fair Labor Standards Act;

(2) That all-workers involved in the project be domiciled in the State of Hawaii; and

(3) That all-general contractors and subcontractors involved in the project sign a project labor agreement with general and specialty craft unions be pre-qualified, demonstrating at least three years of experience in Hawaii on similar projects; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, the State Procurement Administrator and the Director of Public Safety.

From: Sent:	mailinglist@capitol.hawaii.gov Thursday, March 20, 2014 9:07 AM
То:	pbstestimony
Cc:	jmas808@gmail.com
Subject:	Submitted testimony for HCR109 on Mar 20, 2014 11:00AM



Submitted on: 3/20/2014 Testimony for PBS on Mar 20, 2014 11:00AM in Conference Room 309

Submitted E	Зу	Organization	<b>Testifier Position</b>	Present at Hearing
Jeffrey Masats		Painting Industry of Hawaii Labor Management Cooperation Trust Fund	Support	No

Comments: The Painting Industry of Hawaii Labor Management Cooperation Trust Fund is a labormanagement cooperation fund representing the International Union of Painters and Allied Trades, Painters Local Union 1791,AFL-CIO and contractors signatory to a collective bargaining agreement with the Union. The Fund SUPPORTS House Concurrent Resolution 109 and urges the use of Hawaii-based contractors and workers and project labor agreements with all general and specialty contractors involved in the construction or renovation of state correctional facilities.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Thursday, March 20, 2014 9:16 AM
То:	pbstestimony
Cc:	jmas808@gmail.com
Subject:	Submitted testimony for HCR109 on Mar 20, 2014 11:00AM



Submitted on: 3/20/2014 Testimony for PBS on Mar 20, 2014 11:00AM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Jeffrey Masatsugu	Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund	Support	No

Comments: The Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund is a labor-management cooperation fund representing the International Union of Painters and Allied Trades, Carpet Linoleum and Soft Tile Local Union 1926, AFL-CIO and contractors signatory to a collective bargaining agreement with the Union. The Fund SUPPORTS House Concurrent Resolution 109 and urges the use of Hawaii- based contractors and workers and project labor agreements with all general and specialty contractors involved in the construction or renovation of state correctional facilities.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Thursday, March 20, 2014 9:10 AM
То:	pbstestimony
Cc:	jmas808@gmail.com
Subject:	Submitted testimony for HCR109 on Mar 20, 2014 11:00AM



Submitted on: 3/20/2014 Testimony for PBS on Mar 20, 2014 11:00AM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Jeffrey Masatsugu	Hawaii Tapers Market Recovery Trust Fund	Support	No

Comments: The Hawaii Tapers Market Recovery Trust Fund is a labor- management cooperation fund representing the International Union of Painters and Allied Trades, Drywall Tapers, Finishers & Allied Workers Local Union 1944, AFL-CIO and contractors signatory to a collective bargaining agreement with the Union. The Fund SUPPORTS House Concurrent Resolution 109 and urges the use of Hawaii-based contractors and workers and project labor agreements with all general and specialty contractors involved in the construction or renovation of state correctional facilities.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Thursday, March 20, 2014 9:13 AM
То:	pbstestimony
Cc:	jmas808@gmail.com
Subject:	Submitted testimony for HCR109 on Mar 20, 2014 11:00AM



Submitted on: 3/20/2014 Testimony for PBS on Mar 20, 2014 11:00AM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Jenrey Masalsugu	Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund	Support	No

Comments: The Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund is a labor-management cooperation fund representing the International Union of Painters and Allied Trades, Glaziers, Architectural Metal, and Glass Workers Union, Local 1889, AFL-CIO and contractors signatory to a collective bargaining agreement with the Union. The Fund SUPPORTS House Concurrent Resolution 109 and urges the use of Hawaii-based contractors and workers and project labor agreements with all general and specialty contractors involved in the construction or renovation of state correctional facilities.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

# **IRONWORKERS STABILIATION FUND**

March 19, 2014

Henry Aquino, Chair Committee on Public Safety State House State Capitol 415 S. Beretania Street Honolulu, Hawaii 96813

> Date: March 20, 2014 Time: 11:00 a.m. Place: Conference Room 309, State Capitol

Dear Honorable Chair Aquino and Members of the Committee on Public Safety:

<u>Re:</u> Support for HCR109/HR80 – Urging the use of Hawaii-Based Union Contractors and Workers for State Correctional Facility Construction or Renovation Projects

We are in Strong Support of HCR109/HR80 – Urging the use of Hawaii-Based Union Contractors and Workers for State Correctional Facility Construction or Renovation Projects.

The purpose of this bill is to ensure that any companies doing work on state facilities and/or a private/public partnership must pay prevailing wages and use local workers.

We have seen many examples of good intentions going bad and we strongly believe that the efforts of the State of Hawaii to use a private/public partnership may go awry, by bringing in mainland workers to take away the job of the working men and women of Hawaii.

Additionally, we believe that even with the upturn in the economy we still have a construction worker's on the bench. It would be unfortunate to have local funds and projects go away from our economy.

Again we strongly support this measure for small business and the working men and women of Hawaii. Thank you for your time and consideration.