

Honolulu, Hawaii

MAR 0 3 2017

RE: S.B. No. 854 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 854, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LABOR,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Labor and Industrial Relations to issue a stop-work order to an employer who fails to comply with the various wages and compensation requirements of chapter 388, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Hawaii Construction Alliance, and Pacific Resource Partnership.

Your Committee received written comments on this measure from the Subcontractors Association of Hawaii and The Chamber of Commerce Hawaii.

Your Committee finds that while the Department of Labor and Industrial Relations can request that a court issue an injunction against an employer who fails to comply with applicable wages and compensation laws, obtaining an injunction can take some time. In the construction industry, projects may be completed in a matter of months, while investigations into the suspected unlawful activity can take much longer. Your Committee believes that

providing the Department with the authority to issue stop-work orders will help to ensure employers' compliance with the wages and compensation laws.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 854, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

JILL N. TOKYDA, Chair

The Senate Twenty-Ninth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

| Bill / Resolution No.:* | Committee | Referral: | Dat | e: | 4 |
|---|--|-----------|----------|---------------------------------------|---------|
| SB 854,501 | JDL, WAM | | 2 | 2/24/17 | |
| The Committee is reconsidering its previous decision on this measure. | | | | | |
| If so, then the previous decision was to: | | | | | |
| The Recommendation is: | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | |
| Members | | Aye | Aye (WR) | Nay | Excused |
| TOKUDA, Jill N. (C) | | | | . | |
| DELA CRUZ, Donovan M. (VC) | | | | | |
| ENGLISH, J. Kalani | | | | | |
| GALUTERIA, Brickwood | | | | | |
| HARIMOTO, Breene | | | | | |
| INOUYE, Lorraine R. | | | | | |
| KAHELE, Kaiali'i | | | | | |
| RIVIERE, Gil | | | - | | |
| SHIMABUKURO, Maile S.L. | | | | | |
| TANIGUCHI, Brian T. | · | i/ | | 20 | |
| WAKAI, Glenn | | | | | |
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| | | 6. | | | |
| TOTAL | | 8 | | | 3 |
| Recommendation: Adopted Not Adopted | | | | | |
| Chair's or Designee's Signature: | | | | | |
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| Distribution: Original Yellow Pink Goldenrod | | | | | |
| File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | |

^{*}Only one measure per Record of Votes