

Testimony of Christopher Delaunay Pacific Resource Partnership

## HOUSE COMMITTEE ON JUDICIARY AND LABOR Senator Gilbert S.C. Keith-Agaran, Chair Senator Karl Rhoads, Vice Chair

## SB 1115 – Relating to the Department of Labor and Industrial Relations Tuesday, February 14, 2017 9:00 A.M. State Capitol – Room 016

Aloha Chair Keith-Agaran, Vice Chair Rhoads and members of the Committee:

PRP strongly supports SB 1115, Relating to the Department of Labor and Industrial Relations (DLIR), which appropriates funds for two full-time equivalent (2.00 FTE) enforcement specialist IV positions to be primarily responsible for the enforcement of Hawaii's workers' compensation, temporary disability insurance, and prepaid health care laws for the following reasons.

First, Hawaii has the highest construction costs in the United States and the conditions are leading to increase use of illegal workers, unlicensed activity, payroll fraud, non-compliant permits and health and safety issues.

Secondly, according to the State of Hawaii DLIR's Annual Report 2012, the division lost thirty-two percent of its staff between 2009 and 2012. The cut in positions adversely affected the division's ability to effectively protect the economic and medical security of the working public for whom workers' compensation, temporary disability insurance, and prepaid health care laws were intended to provide. Reinstating a couple of the positions would help curb the work of unscrupulous employers who are in violation of Hawaii's workers' compensation laws, and who are profiting at the expense of employers and employees who follow the law.

Thank you for allowing us to share our views and we respectfully request your support on SB 1115.



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## About PRP

Pacific Resource Partnership (PRP) is a not-for-profit organization that represents the Hawaii Regional Council of Carpenters, the largest construction union in the state, and more than 240 of Hawaii's top contractors. Through this unique partnership, PRP has become an influential voice for responsible construction and an advocate for creating a stronger, more sustainable Hawaii in a way that promotes a vibrant economy, creates jobs and enhances the quality of life for all residents.



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