STAND. COM. REP. NO. 2203

Honolulu, Hawaii

APR 05 , 2019

RE: S.B. No. 1082

S.D. 2 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1082, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WAGES,"

begs leave to report as follows:

The purpose of this measure is to hold a general contractor entering into a private construction contract in the State liable for any debt for unpaid wages owed by a subcontractor due to claimants for performance of labor included in the contract between the general contractor and the owner; provided that the liability does not extend to penalties, liquidated damages, or any wage, benefit, fringe benefit, or contribution claims resulting from the percentage withheld by the general contractor until construction of the project has been completed according to the contract.

Pacific Resource Partnership; Hawaii Laborers Union, Local 368; Hawaii Regional Council of Carpenters; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Construction Alliance; and General Contractors Association of Hawaii testified in support of this measure. The Building Industry Association of Hawaii; Chamber of Commerce Hawaii; Gentry Homes, Ltd.; Complete Construction Services Corp.; Loeffler Construction, Inc.; Ozzy's Construction, Inc.; Homeworks Construction Inc.; Servco Home and

Commercial Products; and many individuals testified in opposition to this measure. The Department of Labor and Industrial Relations; Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc.; and Subcontractors Association of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Removing the provision exempting the general contractor from liability for unpaid wages and associated costs resulting from retainage; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1082, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Judiciary,

CHRIS LEE, Chair

State of Hawaii

House of Representatives The THIRTIETH Legislature HOUSE OF Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Judiciary

Bill/Resolution No.: Committee	Referral:	Date:	0/2/19	
☐ 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)				
JUD Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)				
2. SAN BUENAVENTURA, Joy A. (VC)			*	
2 PROWER Town				
3. BROWER, Tom				
4. CREAGAN, Richard P.				
	4			
5. LOWEN, Nicole E.			russ st	<u>.</u>
6. McKELVEY, Angus L.K.				
	<u> </u>			en e
7. MORIKAWA, Dee				
O CAN CI VIV				
8. SAY, Calvin K.Y.	# 1			
9. TAKAYAMA, Gregg				
7. TAKATAMA, Otegg				
10. YAMANE, Ryan I.			. 2	
11. THIELEN, Cynthia	Andrew Control of the			-
			-	
TOTAL (11)	9			1
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				