

STAND. COM. REP. NO.

1312

Honolulu, Hawaii

MAR 17 , 2023

RE: S.B. No. 435
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Labor & Government Operations, to which was referred S.B. No. 435, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC WORKS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Order the person or firm found to be in violation of the state law governing wages and hours of employees on public works to be jointly and severally liable for the penalty, with the penalty increasing for repeat violations;
- (2) Require each notice of violation to contain the names of the person and the firm;
- (3) Define a "person" for purposes of violations of the state law governing wages and hours of employees on public works, and related penalties and suspension; and
- (4) Require the Director of Labor and Industrial Relations to suspend the person and firm under specified conditions.

2023-2645 SB435 HD1 HSCR HMSO



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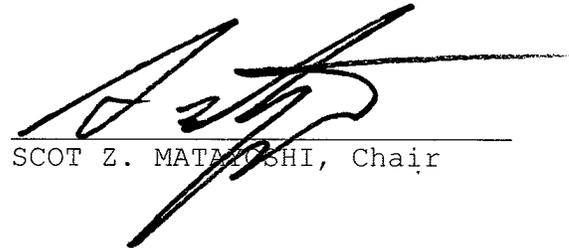
Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Hawai'i State AFL-CIO. Your Committee received comments on this measure from the General Contractors Association of Hawaii and Hawaii Operating Engineers Industry Stabilization Fund Political Action Committee.

Your Committee finds that this measure seeks to eliminate the circumvention of the state law governing wages and hours of employees on public works by entities that transfer key personnel to a separate company and continue business under a new name to avoid the suspension from work provision.

Your Committee has amended this measure by changing the definition of "person" to clarify that the contractors license, rather than the construction license, is the relevant document, and that the subordinate responsible managing employees who fall within the definition are those employed during the calendar period being investigated.

As affirmed by the record of votes of the members of your Committee on Labor & Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 435, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 435, S.D. 1, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Government
Operations,



SCOT Z. MATAYOSHI, Chair



