

**COUNTY COUNCIL**

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Ross Kagawa



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Jade K. Fountain-Tanigawa, County Clerk  
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: cokcouncil@kauai.gov

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kaua'i, Hawai'i 96766

February 6, 2024

**TESTIMONY OF ADDISON BULOSAN  
COUNCILMEMBER, KAUAI COUNTY COUNCIL  
ON  
HB 1638, HD1, RELATING TO COUNTY LABOR STANDARDS  
House Committee on Judiciary & Hawaiian Affairs  
Wednesday, February 7, 2024  
2:00 p.m.  
Conference Room 325  
Via Videoconference**

Dear Chair Tarnas and Members of the Committee:

Thank you for this opportunity to provide testimony in SUPPORT of HB 1638, HD 1, Relating to County Labor Standards. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

I wholeheartedly support the intent of HB 1638, HD 1, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of HB 1638, HD 1. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

**ADDISON BULOSAN**  
Councilmember, Kaua'i County Council

AAO:mn

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
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Shane M. Sinenci  
Nohelani U'u-Hodgins



Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 6, 2024

TO: Honorable David A. Tarnas, Chair,  
Gregg Takayama, Vice Chair, and Members of the House Committee  
on Judiciary & Hawaiian Affairs

FROM: Nohelani U'u-Hodgins *Nohelani U'u-Hodgins*  
Councilmember

SUBJECT: **TESTIMONY IN SUPPORT OF HB 1638, HD1, RELATING TO  
COUNTY LABOR STANDARDS**

DATE: Wednesday, February 7, 2024  
2:00 p.m., Conference Room 325

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure is to allow each county to have the power to adopt labor standards, including but not limited to living wages, benefits, and requirements for participation in state-approved apprenticeship programs.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

HB 1638, HD1, will empower each county with the authority to adopt labor standards and to become leaders in standing up for working people and their families.

Many hard-working men and women are victimized by an "underground economy" where individuals and businesses utilize schemes to conceal or misrepresent their employee population to avoid one or more of their employer

February 6, 2024

Page 2

responsibilities related to wages, payroll taxes, insurance, licensing, safety, or other regulatory requirements.

It has become increasingly evident that labor violations have a detrimental impact on the livelihoods of our local workforce and the overall success of our communities. Counties can play an important role in stopping unlawful contractors who take advantage of workers by not paying them earned wages and benefits.

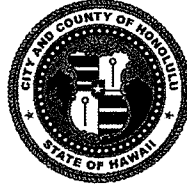
I urge you to lend your support to HB 1638, HD1. By granting counties the authority to adopt labor standards, we take a significant step toward protecting our local workforce and ensuring the well-being of individuals and their families.

Mahalo for the opportunity to submit testimony in support of HB 1638, HD1.

OFFICE OF THE MAYOR  
KE KE'ENA O KA MEIA  
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • WEBSITE: [honolulu.gov](http://honolulu.gov)

RICK BLANGIARDI  
MAYOR  
MEIA



MICHAEL D. FORMBY  
MANAGING DIRECTOR  
PO'O HO'OKELE

KRISHNA F. JAYARAM  
DEPUTY MANAGING DIRECTOR  
HOPE PO'O HO'OKELE

February 6, 2024.

The Honorable David A. Tarnas, Chair  
The Honorable Gregg Takayama, Vice Chair  
and Members of the Committee on Judiciary and Hawaiian Affairs  
Hawaii State House of Representatives  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Tarnas, Vice Chair Takayama, and Members of the Committee:

SUBJECT: HB 1638 HD1, Relating to County Labor Standards

The City and County of Honolulu (City) respectfully asks for your **support** of HB1638 HD1.

HB 1638 HD1 would allow each county to adopt labor standards, including wages, benefits, and other requirements for participation in state-approved apprenticeship programs. The City and County of Honolulu looks forward to set and adjust standards in order to support our local workforce in a way that ensures the needs of each county is met and the labor laws of the State of Hawaii are followed.

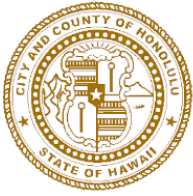
In addition, the amendments to the initial draft would allow counties to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status and provide authority to deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status. Greater authority to enforce compliance and allow for additional transparency is appreciated.

Thank you for the opportunity to testify in support of this measure, please do not hesitate to contact the undersigned if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael D. Formby". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael D. Formby  
Managing Director



# HONOLULU CITY COUNCIL

## KE KANIHELA O KE KALANA O HONOLULU

530 S. KING ST. STE. 202, HONOLULU, HI 96813

**TYLER DOS SANTOS-TAM**  
HONOLULU CITY COUNCIL  
DISTRICT VI  
TELEPHONE: (808) 768-5006  
FAX: (808) 768-1176  
EMAIL: [tdossantos-tam@honolulu.gov](mailto:tdossantos-tam@honolulu.gov)

February 6, 2024

The Honorable David A. Tarnas, Chair  
The Honorable Gregg Takayama, Vice Chair  
and members  
House Committee on Judiciary & Hawaiian Affairs  
415 South Beretania Street, Room 325  
Honolulu, Hawai'i 96813

Dear Chair Tarnas, Vice Chair Takayama, and Members:

I write to support HB1638 HD1, Relating to County Labor Standards. The bill proposes to grant counties the power to "require employers to disclose information regarding its employees' wages, benefits, hours, and employment status," and the power to "deny, revoke, or suspend a building permit application if an employer is found to be in violation of laws relating to wages, benefits, hours, and employment status."

The City and County of Honolulu enacted Ordinances 19-24 and 20-14, which set up the terms and conditions for "citywide community workforce agreements," for certain City projects exceeding \$2M. The workforce agreements contain a number of key terms relating to labor standards, such as prohibiting discrimination on any basis prohibited by federal, State, or local law; resolving disputes by a mandatory, final, and binding arbitration procedure; a requirement against strikes, picketing, lockouts, and other labor actions; a requirement for apprentices to be indentured in a State-approved apprenticeship program; and the incorporation of the "Helmets to Hardhats" program, which creates pathways for careers in construction to returning veterans.

For private projects, the City and County of Honolulu has extensive permitting requirements, which are monitored by building inspectors from the Department of Permitting and Planning. To have such requirements would empower the inspectors who already visit construction sites to verify labor standards, such as wages, benefits, and apprenticeship standards.

As you may have seen in the news, there have been many instances of construction projects occurring with labor abuses – including workers being subjected to unsafe conditions, wage theft, and being denied required benefits. There have been further allegations, including within my district, about immigrant construction workers on residential properties having their passports withheld or being required to live on jobsites during construction of residential properties.

If the Counties had the power to adopt labor standards, with enforcement via existing City inspectors, we would have the ability to stop these unscrupulous actors more quickly, versus having to engage in a multiagency enforcement process, as is the case now.

Mahalo nui for the opportunity to provide these comments in support of HB1638 HD1.

Me ka ha'aha'a,

A handwritten signature in black ink that reads "Tyler Dos Santos-Tam". The signature is written in a cursive, flowing style.

Tyler Dos Santos-Tam  
Councilmember, District 6

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins



Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

## COUNTY COUNCIL

COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 6, 2024

TO: Honorable David A. Tarnas, Chair  
Honorable Greg Takayama, Vice Chair, and Members of the House  
Committee on Judiciary & Hawaiian Affairs

FROM: Thomas Cook  
Councilmember 

SUBJECT: **TESTIMONY IN SUPPORT OF HB 1638 HD 1, RELATING TO  
COUNTY LABOR STANDARDS**

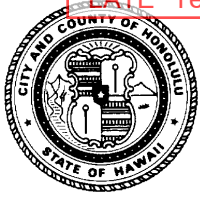
Thank you for the opportunity to testify in **support** of House Bill 1638 HD 1, relating to County Labor Standards. This measure allows the Counties to have the power to adopt labor standards by amending Section 46-1.5 of the Hawaii Revised Statutes.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. The measure authorizes each county to have the power to adopt labor standards pertaining to wages, benefits, hours, and statuses of employees'.
2. The measure allows the counties to be leaders for change, standing up for the working people, their families, and their community.
3. Labor law violations in areas such as labor, employment, tax, insurance, and occupational safety negatively impact hardworking families when businesses fail to comply with fair labor standards. If passed, via the permitting process, the measure can provide counties with a policy tool to drive labor compliance and higher labor standards in their community.

For the foregoing reasons, I support this measure.



LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

**HONOLULU CITY COUNCIL**  
**KE KANIHELA O KE KALANA O HONOLULU**  
530 S. KING ST. STE. 202, HONOLULU, HI 96813

**MATT WEYER**  
HONOLULU CITY COUNCIL  
DISTRICT II  
TELEPHONE: (808) 768-5002  
FAX: (808) 768-1222  
EMAIL: mweyer@honolulu.gov

February 7, 2024

House Committee on Judiciary & Hawaiian Affairs

Representative David A. Tarnas, Chair

Representative Gregg Takayama, Vice Chair

**RE: HB 1638, HD1- Relating to County Labor Standards**

Chair Tarnas, Vice Chair Takayama and Committee Members,

I am writing in support of HB 1638, HD1, Relating to County Labor Standards, which would allow the City and County of Honolulu to adopt labor standards.

This measure would help to ensure that workers in each county are paid what they are owed according to law for an honest day's work. By allowing the counties to adopt their own labor standards, counties would be better able to ensure the safety of their workers by enforcing proper safety standards, as well as protect residents from unscrupulous employers who would seek to improperly pay their employees or fail to carry the required insurance coverage as mandated by law.

Therefore, I stand in support of HB 1638 HD1 – Relating to County Labor Standards. Thank you for the opportunity to submit testimony on this matter.

Respectfully,

Matt Weyer  
Councilmember, District 2  
Honolulu City Council

Testimony of  
Pacific Resource Partnership

House Committee On Judiciary & Hawaiian Affairs  
Representative David A. Tarnas, Chair  
Representative Gregg Takayama, Vice Chair

HB 1638, HD1—Relating To County Labor Standards  
Wednesday, February 7, 2024  
2:00 P.M.

Aloha Chair Tarnas, Vice Chair Takayama, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 240 diverse contractors ranging from mom-and-pop owned businesses to national companies.

PRP writes in **support** of HB 1638, HD1, which allows, not requires, each county to have the power to adopt labor standards.

The hard-working men and women in the counties are victimized by an “underground economy” where individuals and businesses utilize schemes to conceal or misrepresent their employee population to avoid one or more of their employer responsibilities related to wages, payroll taxes, insurance, licensing, safety, or other regulatory requirements. The Maile Sky Court hotel-condo project in Waikiki is an example of the underground economy at work in the state. This was a \$25 million renovation project awarded to unscrupulous contractors who violated labor and licensing laws. On August 29, 2016, the joint enforcement working group raided the project which resulted in the following:

- Department of Labor and Industrial Relations issued a \$767,095 fine to R&R Construction for failing to provide prepaid health care, temporary disability, and workers’ compensation insurance to employees.
- The U.S. Department of Labor ordered R&R Construction to pay workers \$371,376 in back wages and damages for overtime violations.
- RICO issued Selby Construction Services a \$25,000 fine for unlicensed activity.
- Ron’s Electrical Services (sub) issued a \$10,000 fine for unlicensed activity.
- RICO issued TRG Construction a \$25,000 fine for unlicensed activity.

Unfortunately, fines issued by federal and state agencies did not stop unscrupulous contractors from completing this project, and these types of situations occur throughout the state. If, however, counties have the power to adopt and enforce ordinances allowing building officials to deny, revoke, or suspend a building permit application or permit to applicants who are in violation of labor laws, property owners and developers are more likely to carefully select law-abiding contractors to build their projects.





**(Continued From Page 1)**

As such, we respectfully request your favorable decision on this measure. Thank you for this opportunity to submit written testimony.



**HAWAII STATE HOUSE OF REPRESENTATIVES  
COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS  
Conference Room 325 & Videoconference  
State Capitol  
2:00 PM**

February 7, 2023

Re: HB 1638 - RELATING TO COUNTY LABOR STANDARDS

Chair Tarnas, Vice-Chair Takayama, and members of the Committee:

My name is Max Lindsey, Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii offers the following comments in regards to HB 1638, Relating to County Labor Standards. This bill authorizes the counties to require employers to disclose information regarding its employees' wages, benefits, hours, and employment status and deny, revoke, or suspend a building permit application for violating laws relating to wages, benefits, hours, and employment status, under certain conditions

While we understand the intent of this bill, we have concerns with regards to the lack of clarity in the bill. The terms "employer" and "employee" are not defined. Further, if this disclosure could cause the denial, revocation, or suspension of a building permit application, we would suggest that clear guidelines be established prior to the implementation of this proposed law.

Thank you for the opportunity to share our comments on this matter.

**HB-1638-HD-1**

Submitted on: 2/7/2024 9:13:25 AM

Testimony for JHA on 2/7/2024 2:00:00 PM

| <b>Submitted By</b> | <b>Organization</b>                   | <b>Testifier Position</b> | <b>Testify</b>    |
|---------------------|---------------------------------------|---------------------------|-------------------|
| Nathaniel Kinney    | Hawaii Regional Council of Carpenters | Support                   | Remotely Via Zoom |

Comments:

HRCC is in support of this measure which would help to curb unscrupulous contractors who flagrantly disregard wage and hour laws and continue to do business in the state. Counties need to power to regulate bad actors.