

Honolulu, Hawaii

**APR 09** , 2026

RE: S.B. No. 2140  
S.D. 1  
H.D. 2

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 2140, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COUNTY LABOR STANDARDS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize counties to require contractors to disclose employee wage, benefit, hour, and employment status information and to allow counties, under certain conditions, to deny, revoke, or suspend building permits for violations of related laws; and
- (2) Establish a process by which an owner or developer may replace a noncompliant contractor and transfer the building permit to the replacement contractor.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Pacific Resource Partnership; Hawai'i Regional Council of Carpenters; and International Union of Operating Engineers Local 3. Your Committee received testimony in opposition to this measure from the Maui Chamber of Commerce; Grassroot Institute of Hawaii; and General Contractors Association of Hawaii.

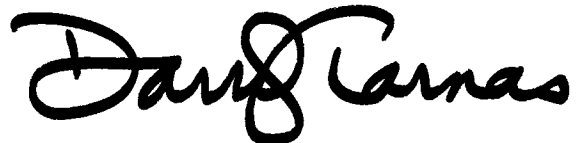


Your Committee finds that persistent wage theft, worker misclassification, and other employment law violations in the construction industry undermine worker protections and fair competition, including when contractors continue operating after being cited by enforcement authorities. Your Committee further finds that gaps in local enforcement and permitting processes have allowed noncompliant contractors to proceed with projects to the detriment of law-abiding contractors and workers. This measure strengthens accountability and promotes a fair, lawful, and competitive construction industry.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2140, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2140, S.D. 1, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary &  
Hawaiian Affairs,



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DAVID A. TARNAS, Chair



