



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
KA 'OIHANA HO'ONA'AUAO  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 02/19/2026

**Time:** 09:30 AM

**Location:** 309 VIA VIDEOCONFERENCE

**Committee:** LAB

**Department:** Education

**Person Testifying:** Keith T. Hayashi, Superintendent of Education

**Title of Bill:** HB2295, RELATING TO GOVERNMENT CONTRACTING.

**Purpose of Bill:** Raises the ceiling for the prevailing wages exemption on public works construction projects from \$2,000 to \$5,000 for governmental contracting agencies. Creates exemption to contractors licensing laws for public works construction projects valued up to \$5,000 for governmental contracting agencies.

**Department's Position:**

The Hawaii State Department of Education (Department) supports HB 2295. The current funding limit for minor repair projects has not kept pace with inflation, hindering the Department's ability to address minor construction needs efficiently. This bill proposes raising the exemption threshold for public works contracts from \$1,500 to \$5,000, giving schools greater flexibility for minor repair projects.

Schools desire to have the ability to outsource minor construction work but lack the expertise to navigate the regulatory requirements that a formal construction project entails. The Department manages a vast inventory of aging facilities across the state, and the increasing number of repairs required presents a significant challenge. Current regulatory standards, while designed to ensure fairness and transparency, impose substantial administrative burdens and delays on smaller, routine construction and repair projects.

HB 2295 directly addresses this issue by increasing the exemption threshold in Section 104-2 of the Hawaii Revised Statutes from \$1,500 to \$5,000. This adjustment, based on inflation data from the Department of Business, Economic Development, and Tourism's Honolulu Construction Cost Index since 2002, is a crucial step towards modernizing our procurement practices. Furthermore, the bill aligns the exemption threshold in Section 444-2 of the Hawaii Revised Statutes with \$5,000, ensuring consistency and practicality for government contracting agencies. This dual amendment will empower administrators to engage contractors more quickly for smaller-scale projects, saving valuable time and resources.

The impact of this legislation on the Department will be significant. By enabling more agile procurement of minor repairs, we can proactively address maintenance issues,

creating safer, more functional, and conducive learning environments for our students and staff. This increased flexibility will reduce administrative overhead and allow our facilities teams to focus on more strategic maintenance planning rather than being bogged down by the complexities of small-scale construction. Ultimately, this leads to a more effective and efficient use of taxpayer funds, as minor issues can be resolved before they escalate into costly major repairs.

Regarding implementation, the Department is prepared to adopt the revised procurement standards upon the bill's approval. The proposed amendments to Sections 104-2 and 444-2 are clear and directly address the Department's operational challenges. No further amendments are deemed necessary at this time, as the bill effectively updates the statutory language to reflect current economic realities and operational needs.

Thank you for the opportunity to provide testimony on this measure.



# International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

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TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TO: HOUSE COMMITTEE ON LABOR  
Hearing on Thursday, February 19, 2026 at 9:30 a.m., Conference Room 309

RE: TESTIMONY IN **STRONG OPPOSITION** OF HB 2295

Honorable Chair Jackson D. Sayama, Vice Chair Mike Lee, and Members of the Committee on Labor:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 2,700 men and women working in electrical construction, telecommunications, civil service employees, and educator and faculty associations.

IBEW 1186 is in **strong opposition** of this bill.

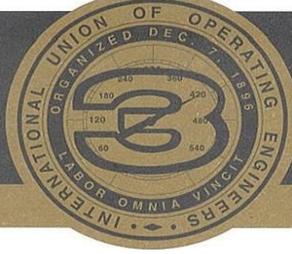
While this bill is presented as a solution for administrative delays and maintenance backlogs, it creates a perilous regulatory environment that compromises both worker standards and public safety. Electrical work is inherently high-risk, regardless of a project's total cost; a "small" < \$5,000 repair often involves critical circuitry and voltage systems that, if handled by unlicensed individuals, can lead to catastrophic arc flashes or electrical fires.

A critical vulnerability exists where HB 2295 relies on the requirement of a building permit to trigger licensing and wage protections. When read alongside other proposed bills this session such as SB 2066, a significant loophole emerges by exempting state projects from county building requirements.

Lowering the bar creates a "race to the bottom" for local workers, invites predatory practices, and encourages parceling to avoid paying fair, prevailing wages. The bill claims the current \$2,000 threshold is an administrative burden causing delays; however, efficiency should never come at the cost of life-safety standards, and flexibility for agencies should not mean the right to bypass established laws and standards enacted entirely for the purpose of protecting the public and workers.

Finally, we must emphasize that prevailing wage laws are a cornerstone of Hawaii's economic stability ensuring that public funds are governed by fairness, transparency, value, and responsible behavior. These principles allow taxpayer money to be used to support the advancement of skilled local tradespeople, while discouraging wage theft, wage reduction, and the use of unqualified labor.

We urge this Committee to **HOLD** this bill.



February 17, 2026

Honorable, Jackson D. Sayama, House Committee on Labor, Chair  
Honorable, Mike Lee, House Committee on Labor, Vice Chair  
Honorable Members of the House Committee on Labor

**RE: RELATING TO GOVERNMENT CONTRACTING.**

Aloha Chair and Members of the Committee,

My name is Ana Tuiasosopo, and I am a Trustee and District Representative for the International Union of Operating Engineers (IUOE) Local 3, representing heavy equipment operators, mechanics, surveyors, and other skilled tradespeople in Hawai'i's construction industry. I submit our OPPOSITION to HB2295.

This bill proposes raising the exemption threshold for public works from \$2,000 to \$5,000 and creating a new exemption from contractor licensing requirements for public works projects up to that amount. While the intent may be to improve efficiency, the practical effect is the erosion of long-standing worker protections, licensing standards, and safeguards that ensure public projects are completed safely and correctly.

Public works construction — regardless of size — should be performed by trained and licensed professionals. Even small projects often involve electrical, plumbing, or structural work that directly impact public safety. Removing licensing requirements for these projects increases the risk of substandard workmanship, safety hazards, and costly rework that ultimately burdens taxpayers.

This bill also raises serious concerns about the weakening of prevailing wage protections and the potential reduction of opportunities for Hawai'i's skilled local workforce and registered apprenticeship programs. Public works projects play a vital role in supporting workforce development and maintaining high standards across the construction industry. Expanding exemptions moves us in the wrong direction.

Although the bill attempts to prohibit the splitting of projects to avoid requirements, enforcement of this provision is difficult in practice. Increasing the threshold creates a strong incentive to divide work into smaller contracts, gradually eroding protections that have long-safeguarded workers and the public.

Efficiency should not come at the expense of safety, quality, and workforce standards. Rather than weakening existing protections, the Legislature should pursue solutions that maintain strong labor standards while improving administrative processes.

Sincerely,

Ana Tuiasosopo  
District Representative, Trustee

**HB-2295**

Submitted on: 2/19/2026 8:08:32 AM

Testimony for LAB on 2/19/2026 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael Pacheco	IBEW LU 1186	Oppose	Remotely Via Zoom

Comments:

We have already submitted testimony