

Honolulu, Hawaii

MAR 21 , 2019

RE: S.B. No. 292
S.D. 1
H.D. 1

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

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 292, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LABOR,"

begs leave to report as follows:

The purpose of this measure is to require contractors to submit certified payrolls and comply with certain wage and hours laws for service contracts that exceed \$500,000.

The Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Laborers Union, Local 368, and Hawai'i Construction Alliance submitted testimony in support of this measure. The Department of Labor and Industrial Relations submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the language that excludes service contracts less than \$500,000 from submittal of certified payrolls that attest to compliance with certain wage and hours laws;
- (2) Specifying the obligations and conditions of a contractor that performs services in excess of \$25,000 for any governmental agency;



- (3) Authorizing any governmental agency to withhold portions of payments from the contractor as the governmental agency considers necessary to cover the difference between the required wages and the wages received by the laborers and mechanics;
- (4) Requiring that contracts to perform services in excess of \$25,000 must require the contractor to submit a certified copy of all payrolls on a weekly basis to the governmental agency;
- (5) Specifying the obligations in connection with payroll records and the penalties for failure to comply; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 292, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 292, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



AARON LING JOHANSON, Chair



State of Hawaii
House of Representatives
The THIRTIETH Legislature

HSCR 1547

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 292, SD 1	Committee Referral: LAB, FIN	Date: 3/14/19		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. ELI, Stacelynn K.M. (VC)	✓			
3. ICHIYAMA, Linda	✓			
4. KITAGAWA, Lisa	✓			
5. McKELVEY, Angus L.K.	✓			
6. QUINLAN, Sean				✓
7. YAMASHITA, Kyle T.	✓			
8. MATSUMOTO, Lauren	✓			
TOTAL (8)	7			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u>Stacelynn</u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				