STAND. COM. REP. NO. 1653

Honolulu, Hawaii

April 2, 2007

RE: H.C.R. No. 61
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committees on Labor & Public Employment and Economic Development & Business Concerns, to which was referred H.C.R. No. 61 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY ON PUBLIC CONTRACTS,"

beg leave to report as follows:

The purpose of this measure is to request that the Attorney General and the Insurance Commissioner conduct a study on whether state and county government contracts are being awarded to out-of-state contractors to the detriment of Hawaii local contractors.

The Hawaii Ironworkers Stabilization Fund, International Union of Painters and Allied Trades, and the Subcontractors Association of Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs testified in opposition.

Your committee finds that local contractors have difficulty competing with out-of-state contractors due to various cost drivers in Hawaii that cause local contactor bids to be higher than those of out-of-state contractors. As such, your committee has amended this measure by expanding the scope of the requested study to include an examination of various factors that negatively impact the competitiveness of local contractors such as workers' compensation costs, general excise tax requirements, and unemployment insurance premiums. In addition, your committee finds


*HCR61 HD1 HSCR*

1653

that the Department of Accounting and General Services is a more appropriate body to conduct the study than the Insurance commissioner, and has amended this measure accordingly.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Development & Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 61, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 61, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committees on Labor & Public
Employment and Economic
Development & Business
Concerns,

KYLE T. YAMASHITA, Chair

ALEX M. SONSON, Chair

HCR61 HD1 HSCR
*HCR61 HD1 HSCR*
*HCR61 HD1 HSCR*

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 1653

# Record of Votes of the Committee on Labor & Public Employment

| | |
|---|---|
| **Bill/Resolution No.:** HCR 61 | **Date:** 3-30-07 |
| **Committee Referral:** LAB/EDB,FIN | ❑ The committee is reconsidering its previous decision on the measure. |

**The recommendation is to:** ❑ Pass, unamended ☒ Pass, with amendments ❑ Hold ❑ Pass, with amendments, for recommittal for further consideration

| LAB Members | Ayes | Ayes (WR) | Nays | Excused |
|---|---|---|---|---|
| 1. SONSON, Alex M. (C) | ✓ | | | |
| 2. NAKASONE, Bob (VC) | ✓ | | | |
| 3. EVANS, Cindy | | | | ✓ |
| 4. HAR, Sharon E. | ✓ | | | |
| 5. LEE, Marilyn B. | ✓ | | | |
| 6. LUKE, Sylvia | | | | ✓ |
| 7. McKELVEY, Angus L.K. | ✓ | | | |
| 8. NISHIMOTO, Scott Y. | ✓ | | | |
| 9. SOUKI, Joseph M. | | | | ✓ |
| 10. TAKAMINE, Dwight Y. | | | | ✓ |
| 11. TAKUMI, Roy M. | | | | ✓ |
| 12. MEYER, Colleen Rose | | | | ✓ |
| 13. PINE, Kymberly Marcos | ✓ | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | 7 | | | 6 |

**The recommendation is:** ☒ Adopted ❑ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

**Vice Chair's or designee's signature:** Bob Nakasone

**Distribution:** Original (White) – Committee Duplicate (Yellow) – Clerk's Office

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR1653

## Record of Votes of the Committee on Economic Development & Business Concerns

| Bill/Resolution No.: HCR 61 | Date: March 30, 2007 |
|---|---|
| Committee Referral: LAB/EDB, FIN | ☐ The committee is reconsidering its previous decision on the measure. |

**The recommendation is to:** ☐ Pass, unamended ☑ Pass, with amendments ☐ Hold ☐ Pass, with amendments, for recommittal for further consideration

| EDB Members | Ayes | Ayes (WR) | Nays | Excused |
|---|---|---|---|---|
| 1. YAMASHITA, Kyle T. (C) | ✓ | | | |
| 2. WAKAI, Glenn (VC) | ✓ | | | |
| 3. BERG, Lyla B., Ph.D. | | | | ✓ |
| 4. BROWER, Tom | ✓ | | | |
| 5. CHANG, Jerry L. | | | | ✓ |
| 6. HANOHANO, Faye P. | ✓ | | | |
| 7. HERKES, Robert N. | | | | ✓ |
| 8. MANAHAN, Joey | ✓ | | | |
| 9. TSUJI, Clift | ✓ | | | |
| 10. YAMANE, Ryan I. | ✓ | | | |
| 11. CHING, Corinne W.L. | ✓ | | | |
| 12. MARUMOTO, Barbara C. | ✓ | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | 9 | — | — | 3 |

**The recommendation is:** ☑ Adopted ☐ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

**Vice Chair's or designee's signature:**

**Distribution:** Original (White) – Committee Duplicate (Yellow) – Clerk's Office