

STAND. COM. REP. NO.

250

Honolulu, Hawaii

FEB 16 2011

RE: S.B. No. 775
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Economic Development and Technology, to which was referred S.B. No. 775 entitled:

"A BILL FOR AN ACT RELATING TO CONSTRUCTION SITES,"

beg leave to report as follows:

The purpose and intent of this measure is to continue the work of and appropriate funds for the Construction Site Inspection Task Force established pursuant to Act 121, Session Laws of Hawaii 2010.

Your Committees received testimony in support of this measure from the State Contractors License Board, Building Industry Association of Hawaii, the Subcontractors Association of Hawaii, Complete Construction Services Corp., and the Pacific Resource Partnership. Your Committees received testimony in opposition to this measure from the Department of Labor and Industrial Relations. Your Committees received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committees find that the intent of the Legislature in creating the Construction Site Inspection Task Force was to investigate the interrelation of workplace safety, tax law, and worker qualification violations that occur in the context of unlicensed construction activity. Your Committees further find that this ambitious goal proved to be too complex for the task force to successfully achieve. Your Committees also find that the

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task force's own recommendation to narrow its focus to deterring unlicensed activity and strengthening the Department of Commerce and Consumer Affairs' ability to enforce existing licensure requirements will allow the task force to continue its work in a more meaningful manner. Further, your Committees recognize the commitment of the construction industry to assisting in the enforcement of licensing requirements. Your Committees find that offsetting the cost of the task force by modestly increasing fees charged to current licensees is an appropriate means of distributing the burdens and the benefits of creating an effective task force.

Your Committees have amended this measure by:

- (1) Clarifying that the purpose of the measure is to extend authorization of the Construction Site Inspection Task Force through December 31, 2011, while focusing its efforts more narrowly;
- (2) Accepting the construction industry's recommendation to add a \$10 surcharge to each license application and renewal under chapter 444, Hawaii Revised Statutes, for deposit into the Compliance Resolution Fund for the purpose of offsetting costs incurred by the task force;
- (3) Adding three representatives of the construction industry to the membership of the task force;
- (4) Narrowing the purpose of the task force to focus on issues of deterring unlicensed activity and enforcing existing requirements for licensure; and
- (5) Exempting certain discussions of the task force involving sensitive law enforcement or public safety matters from the open meetings requirements of chapter 92, Hawaii Revised Statutes.

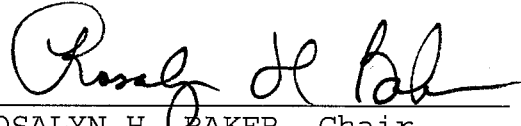
As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 775, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 775, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and
Economic Development and
Technology,



CAROL FUKUNAGA, Chair




ROSALYN H. BAKER, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

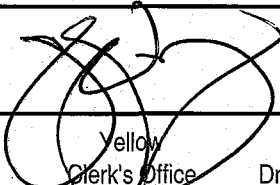
Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 775	CPN/EDT, WAM	2-8-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood	✓			
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.	✓			
SOLOMON, Malama	✓			
SLOM, Sam			✓	
TOTAL	6	0	1	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Economic Development and Technology
EDT

Bill / Resolution No.:* SB 775	Committee Referral: CPN/EDT, WAM	Date: 2/8/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
WAKAI, Glenn (VC)	✓			
BAKER, Rosalyn H.	✓			
SOLOMON, Malama				✓
SLOM, Sam				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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