

Honolulu, Hawaii

March 21, 2014

RE: S.B. No. 3039  
S.D. 2  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 3039, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC WORKS,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds to the Department of Labor and Industrial Relations for two additional labor law enforcement specialist IV positions to assist in the enforcement of Hawaii's wage and hour law on public construction projects.

The Building Industry Association of Hawaii; Hawaii Building and Construction Trades Council, AFL-CIO; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Operating Engineers Industry Stabilization Fund; and The Pacific Resource Partnership provided testimony in support of this measure. The General Contractors Association of Hawaii provided testimony in opposition to this measure. The Department of Labor and Industrial Relations, Department of Accounting and General Services, Department of Transportation, and Hawaii Regional Council of Carpenters provided comments on this measure.



Your Committee has amended this measure by:

- (1) Expanding its purpose section to include a discussion about public construction projects and the necessity of strictly enforcing Hawaii's wage and hour laws;
- (2) Establishing the Wage and Hour for Public Works Projects Special Fund to assist the Department of Labor and Industrial Relations in enforcing Hawaii's wage and hour law on public construction projects;
- (3) Except for the Department of Transportation's Airports Division, requiring state departments that receive appropriations of funds designated for the construction cost element for certain capital improvement projects to transfer 0.1 percent of those appropriations into the Wage and Hour for Public Works Projects Special Fund;
- (4) Requiring the Department of Labor and Industrial Relations to provide an annual status report of the Wage and Hour for Public Works Projects Special Fund to the Legislature;
- (5) Changing its effective date to July 1, 2114, for the purpose of facilitating further discussion; and
- (6) 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 Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3039, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3039, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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



MARK M. NAKASHIMA, Chair



