

## **2018 Legislative Report Recap**

This was a really varied year with lots of different subject matter as you will see below. We attacked as best we could, provided input to many legislators that would listen and lobbied to protect your interests. Our rundown follows, and they are only summary remarks. Members are invited to ask for more details as you might need.

First, you should know that the legislature runs from January to early May. Of course, we are active then, but your association also gets calls by legislators and regulators for our reaction to proposals, our thoughts and, positively, some even seeking out our problems and how they can help. So, we are still working on issues May to December but many times the idea does not gel until the January session cranks up. In other words, fighting for your concerns is an around the year job. This is an election year so if a candidate visits you, be sure to discuss issues with them. Knowing a legislator can make a big difference.

### **GENERAL ISSUES-PASSED**

Provides for wage secrecy for current and prospective employees (cannot disclose, discuss or inquire about current or past wages).

Establish a paid family leave program. Both employee and employer pay into a fund. For now, the law only authorizes a study group to come up with how long, how much, etc.

Further clarifies employee marijuana use with a medical certificate. We got the language prohibiting an employer from "discharging, disciplining or discriminating" removed but the subject will come back next year.

Allow the County Councils to act by 3/31/19 to enact a 1/2 tax surcharge (just like Oahu's 1/2% rail tax-GET) for transportation issues. Check out language in your contract that will allow you to pass on this one half per cent if the council acts.

### **GENERAL ISSUES-DEAD**

Require all employers to provide paid sick leave.

Clarify who is an independent contractor (just about impossible under current Hawaii law).

Enact a \$150 fine for driving in the HOV lane if not eligible.

## **INDUSTRY ISSUES-PASSED**

A \$4.65 billion construction budget.

## **INDUSTRY ISSUES-DEAD**

Raise the threshold for which you do not need a contractors license from the current \$1000 to \$5000 (handyman exemption).

Eliminate the subcontractor listing requirement for jobs under \$5M. Amended to apply only to UH for 2 years but would still have to list for certain trades. This was meant to split the subcontractor community. It didn't work and the whole bill died.

Attack owner builder permit and exemption from the contractors license law to require owner builder proof of workers compensation insurance.

No riders in truck beds...including pickup trucks.

Establish an Airport Corporation (instead of under DOT) and exempt them from the procurement code (and, therefore, the subcontractor listing law).

Use Past Performance instead of low bid for state/county jobs. Concern about subjectivity and details did not provide for proof of timely payment to subs as one indication of "good" past performance.

Raise the ceiling on protest bonds required to file a protest. (One version was 10% of the contract; another was a premium cap of \$25,000.)

A new provision on state and county contracts if it calls for the disposal of solid waste from your job. Provision says you cannot get paid unless you can provide a receipt from a licensed waste management facility that it was received and disposed of properly.

More info on any of the above is available for the asking.

*Submitted by Tim Lyons – Subcontractors Association of Hawaii*