

# HAWAII OPERATING ENGINEERS INDUSTRY STABILIZATION FUND



Affiliated AFL-CIO  
OPEIU - 3 - AFL-CIO (3)

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February 6, 2009

Honorable Representative Karl Rhoads, Chair  
Honorable Representative Kyle T. Yamashita, Vice Chair

Committee on Labor and Public Employment

RE: SUPPORT OF HB NO. 1479 RELATING TO LABOR  
Little Davis Bacon Act; Fringe Benefits, Department of Labor and Industrial Relations

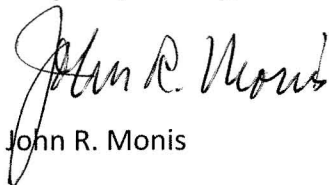
Chairman Rhoads and the members of the committee,

John Monis of the Hawaii Operating Engineers Industry Stabilization fund, a joint Labor / Management Trust, representing 4,000 members and 300 unionized general contractors in heavy site engineering and vertical work statewide, support the intent of the measure as described in HB No. 1479.

We believe that the total discretionary responsibility lies on the Director of Labor and Industrial Relations to enforce the rate of pay, and fringe benefit paid to the employee by the general or sub-contractor. It is important to us that fringe benefit information be disclosed as to where the funds are being allocated so there is a possible checks and balances procedure. As it stands now there is no way to make sure what is being reported is true.

Thank you for the opportunity to submit a written testimony in support of HB NO. 1479

Very Respectfully,



John R. Monis

**000127**

HAWAII OPERATING ENGINEERS  
INDUSTRY STABILIZATION FUND



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Representative Karl Rhoads, Chair  
Representative Kyle Yamashita, Vice-Chair  
Hawaii State House of Representative  
Committee on Labor and Public Employment

Testimony by  
Myles Miyasato Big Island Representative  
February 6, 2009

Re: Support of H.B. 1479- RELATING TO LABOR

I would like to speak in support of the purpose and intent of HB 1479. As drafted, this bill will keep our public monies accountable and be available for public records as it should be. Presently all that is required is a check mark in a box to state that you are in compliance with the payment of fringe benefit wages. Only the hourly wages are listed as itemized payments to prove compliance.

The current fringe wages for our trade is \$22.13 an hour which comes out to \$885.20 per week in fringes only. When I review certified payrolls, the fringe wage usually has nothing left from the \$885.20 it's amazing how some employers can find benefits to cost the exact amount to the penny with no balance pay back to the employee. If there is a balance it should show on the hourly wages report, and there is no way of knowing how the rest of the fringe wages are spent.

I have had employees call me after being released from employment and not receiving any information about their supposed pension that the employer had been contributing into. Because there is no public record I cannot help them and can only tell them to go to the labor board and file a complaint. The problem is they are afraid to do this because they know there will be no chance for future employment with that company.

According to Administrative Rules 12-22-1 cost of a fringe benefit means the rate of contribution irrevocably made by a contractor to a trustee or to a third person pursuant to a fund, plan, or program in providing benefits. Irrevocable would mean that the balance of each employee's fringe wages should be included in their pay check weekly.

I urge the committee to pass H.B. 1479. Thank you for this opportunity to testify.

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