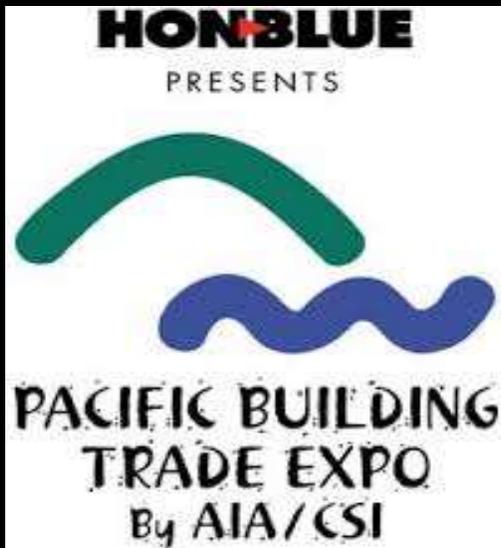


**TILE CONTRACTORS
ASSOCIATION OF HAWAII**



The 2019 Pacific Building Trade Expo was held at the Hawaii Convention Center on October 1, 2019. We are pleased to have had 17 member booths. Each of our member booths included a custom made TCAH sign to better assist attendees to identify our trade companies and the TCAH booth included an “Ask A Contractor Here” to address any tile related questions. Thank you to Ron Unebasami for your valuable assistance!



Keith Haney and Hawaii Representative Stephen Paziienza from Mapei



Rick Lau and Laura Toler from Tile Warehouse, Inc.

TILE CONTRACTORS ASSOCIATION OF HAWAII



Scott Chouinard and Maria Maldonado from Daltilo, American Olean and Marazzi



Jeff Pompadur from the Ceramic Tile Institute of America and Debra Pompadur of Evergreen by Debra



Karl Kamada and Rod Haraga representing the Masonry Institute of Hawaii



Josh Stuart from Wedi Corporation for Bella Pietra

TILE CONTRACTORS ASSOCIATION OF HAWAII



Hawaii Representative Kevin Coronas and Bernie Anderson from Laticrete



Jim Hall from Longust Distributing for Crossville, Inc.



Dan Curtis from Schluter Systems



Each member booth displayed a TCAH sign.

TILE CONTRACTORS
ASSOCIATION OF HAWAII

2019 Membership
Scholarship Program

2019 TCAH Scholarship Winners

In 2008, the Board of Trustees of the Tile Contractors Association of Hawaii, established a Membership Scholarship Program to recognize and assist the families of our signatory members in creating an opportunity for our youth to further their educational pursuits.

In 2019, there were two recipients awarded \$2,500.00 each. They are Cameryn Kai, a grandson of an employee at BF Tile, Inc. who is attending the University of California Berkeley and McKenna Chun, who is a grandson of an employee of RYU Tile attending Northern Arizona University.

Students must be related to a TCAH Signatory Employer Member or an employee of a TCAH Signatory Employer Member.

Please visit our website at tilehawaii.com or call 808-271-4195 to inquiry about the 2020 scholarship.

Let's help empower
our youth!



ARTIST: SOLOMON ROBERT NUI ENOS IS A NATIVE HAWAIIAN ARTIST, ILLUSTRATOR, AND DESIGNER.

NOTE: "HINA AND HER FAMILY RETURN" REFLECTS HAWAIIAN BELIEFS OF HINA, LORD KŪKŪHE and KANĪLOA RETURNING TO MŪWŪKAPU PENINSULA, NOW CALLED MŪKAPU. THE AREA IS METAPHORIC OF NATURE AND REINFORCES THE HARMONIOUS FAMILIAL RELATIONSHIP THAT EXISTS BETWEEN HUMANITY AND THE NATURAL ENVIRONMENT. AS WE ADDRESS THE GREAT CHANGES HAPPENING TO OUR CLIMATE, WEATHERING RESOURCES AND PROGRESS, WE MUST PREPARE TO GREET THEM AND MAKE THE BEST OF OUR FUTURE TOGETHER.

MEASURE: TEN (10) FEET BY FOUR (4) FEET
WEIGHT: 200 POUNDS

LOCATION: JAMES B. CASTLE HIGH SCHOOL IN KANEŌHE ON THE TOWNWARD SIDE OF DAVENPORT

INSTALLED BY: TOMMY THE TILE, AND SUPPLIED BY EVERGREEN BY DEBRA, LLC

Mosaic Tile from Evergreen by Debra, LLC

This beautiful mural was created by artist Solomon Robert Nui Enos and titled Hina and Her Family Return. It is located at the James B. Castle High School in Kaneohe. It is a Venetian style glass mosaic 14' wide by 20' tall. The tile was provided by Evergreen by Debra, LLC.

**TILE CONTRACTORS
ASSOCIATION OF HAWAII**



Hawaii Masons & Plasterers Training
1188 Sand Island Parkway - Honolulu, HI 96819
808-848-0565 (Office) 808-847-7068 (Fax)
p.coronas@yahoo.com (E-mail)

**Local #1 IUBAC MEMBERS
Safety Class Offerings**

Safety classes are being offered year round to Members of Hawaii Masons Union Local #1, IUBAC.

Please contact Training Coordinator Ikaika Castillo at (808)478-8961 or Patrick Coronas at (808)741-6971 to submit your request.

Note: All classes are subject to change. A minimum of 10 students are required to conduct each class. If a course is cancelled, all registered students will be placed in the next scheduled class.

Courses include, but are not limited to:



**First Aid/CPR/AED
Fall Protection
Forklift/Rough Terrain
Aerial Work Platform Safety
New Silica Standard
OSHA 10 Hour
ACI Certifications**



95-1030 Meheula Parkway #892711, Mililani, HI 96789
Phone: (808) 295-7064 | Fax : (808) 888-6662
www.tilehawaii.com



2019 Hawaii Legislative Report

This year the legislature passed a \$16 billion operating budget that began on July 1, 2019. Of that, \$3.4 billion is dedicated as a construction budget. The legislature introduced 3142 new potential laws in both the House and the Senate. While a bill entitled, “Relating to Illegal Acts” might not be about us, a bill entitled “Relating to Unlicensed Contractors” is certainly something we care about. Only 298 actually went to the Governor’s desk for his approval. What follows below is a report on both the good bills and the bad bills and those that passed and died.

Taxes

Family Leave. This is under the tax section because when it is fully developed, it will be a payroll tax. What hasn’t been developed yet is whether it will be paid or unpaid leave and whether it will be an employer or an employee paid program or a combination. The 2018 legislature passed a bill calling for a study in order to look at other state systems and come back with recommendations. It was not finished in time for the 2019 legislature so a bill to extend the study to November, 2019 was passed this year. For other family leave bills see the “DEAD BILL” section. Reference H.B. 32, HD1, SD 2, CD 1. Act 190, 7/2/2019.

Rental Cars. The legislature passed a bill that increases the current rental car per day tax from \$3.00 to \$5.00. Previously, Hawaii residents paid \$3.00 while tourists paid \$5.00. Now everyone will pay \$5.00. Reference S.B. 162, SD 2, HD 3, CD 1, Act 174, 7/1/2019.

Resort Fee. The legislature has tried to pass this for several years and the hotel industry has resisted. Basically the legislature felt the resort fees which you pay when you go to most hotels are just another source of income for the hotels that they don’t put under the hotel room income category. As such, they felt it should be taxed. As a result S.B. 380 calls for the 10.25% hotel room tax to be assessed on resort fees. Reference S.B. 380, SD1. Act 20, 4/23/2019.

Government

Protests. The Department of Commerce and Consumer Affairs introduced a bill. This is a non-refundable protest fee which is charged at the time you file the protest. If the contract in dispute is under \$500,000.00 there is no fee. If it is between \$500,000 to \$1,000,000, there is a \$200 administrative fee and if it is over \$1,000,000, it is a \$1,000 administrative fee. Keep in mind that this is above and beyond the “pay to play” protest fee which you pay in order to continue your protest which is done so in a bond form and which you forfeit if you lose your protest. Reference S.B. 1213, SD 1, HD 1, CD 1, Act 73, 6/7/2019.

2019 Legislative Report - Continuation

Unlicensed Handyman. The handyman law was passed as an exception to the contractor's license law originally at \$100. In other words, a contractor's license is not needed in order to do work under \$100. Twenty-seven years ago the legislature passed a bill originally at \$500 and in the last few hours of conference increased it to \$1000. The Realtors have made strong pushes to increase that \$1000. Bills have been introduced over the years at \$5000, \$10,000, \$25,000 and even \$50,000. It came its closest in the 2018 legislature where it almost passed at \$5000. This year the proposal went in at \$1500, a proposal seen by some as reasonable and it passed. The only other change is that it eliminates the tax. That is, the \$1500 is a combination of labor and materials NOT including the tax. Reference S.B 767, SD 1, HD 1, CD1.

General Interest

Marijuana. H.B. 1383 decriminalizes the possession of 3 grams or less of marijuana. It treats it more like a traffic violation in that if you are caught, you get a \$130 fine assessed. But you don't have to go to court unless you want to contest it. It also establishes a Task Force in order to look at other penalties involving marijuana that ought to be changed. Reference H.B. 1383, HD 2, SD 1, CD 1.

Gift Cards. If you have a gift card and the balance is less than \$5.00 you are able, under H.B. 314, to take it back and asked to be cashed out. Reference H.B. 314, HD 1, SD 1, Act 236 7/2/2019.

Got a Boat? If it is over 26 feet, you now must have mandatory general liability marine insurance in the amount of a minimum of \$100,000.00. Reference H.B. 1033, HD 2, SD 2, CD1, Act 94 6/7/2019.

DEAD BILLS

In our sometimes not too friendly to do business legislature, dead bills are far more important than bills that have been passed. It seems that every year there are more attacks on honest businesses. We work very hard every year to pass bills but we also work even harder to kill bills. This year was no exception. Among the bad bills are those that follow.

Employer/Employee Laws

Family Leave. As referenced above, family leave was a hot topic. Two bills were actually put in to provide for family leave. One would be for paid family leave time and the other would be for unpaid family leave time. Neither passed, deferring to the study. A bill however that came very close to passing would have given one (1) week of family leave to any employee who had a grandchild with a health condition. Note: The current paid/unpaid family leave law does not cover grandchildren.

Minimum Wage. Minimum wage proposals were also a hot subject this year with a variety of proposals. Basically, both the House and Senate called for an increase in the minimum wage from \$10.10 to \$15.00. The Senate targeted that at 2023 and the House stretched it out to 2024. The other factor for the House is they provided for a lower minimum wage if the employer provided pre-paid health care. This is the first time the legislature has recognized that Hawaii employers face higher costs than most mainland employers because of our mandatory pre-paid healthcare law.

2019 Legislative Report - Continuation

General Contractor liability for sub wages. This bill was a sleeper and became an increasingly hot issue as the session went on. A Carpenter's bill, it basically provided that the general contractor would be responsible for all wages owed by a subcontractor to their employees and any sub of a sub on any job both government and private. Although it sounds like a fair proposition we became increasingly concerned when GCA wholeheartedly supported the bill. It appeared to us that the bill had many unintended consequences. As an example, a general contractor could decide to withhold payment on all subs for fear that there may be one employee of one sub (or one sub of a sub) who he did not know about and would continue to have liability exposure for the two (2) year window period as provided in the bill. We got the two (2) years lowered to one (1) year however it still concerned us that the amount of information general contractors could require of their subcontractors was excessive and provided a very convenient excuse for general contractors not to pay their subs in a timely manner. We fought aggressively hard on this bill and ultimately managed to stop it from going to Conference Committee and therefore passage.

Government

Incidental and Supplemental. One of the Union's introduced a bill this year that would have disallowed a specialty contractor from acting as a general contractor.

Also dying was a bill to require past performance to be used as a factor in awarding government jobs.

An additional bill would have required the Davis Bacon wage scales to recognize the foreperson wage scale in a Collective Bargaining Agreement, if such wage scale was identified in the CBA.

Airport Corporation. This was a big bill for us. Not because we oppose the airport corporation but because it would be one of the few times that a major construction project would be taken out of the Procurement Code and the precedent that this would set. We opposed and for the second year in a row we were able to block this effort. The primary reason being that if it comes out of the Procurement Code along with it comes subcontractor listing, bonding and prompt payment. The House is to be credited for stopping this effort again while the airlines are pushing heavily to get it established.

Taxes

Three (3) tax bills that you may want to know about include 1) a failed effort to increase the general excise tax by ½ of 1% for the purpose of funding education; 2) the Air BNB bill which would have gathered millions of dollars in taxes by setting up a registry of vacation rentals. This bill actually passed but was vetoed. And 3) the REIT bill which would have disallowed the current tax deduction on dividends paid from real estate investment trust. This bill also passed but was also vetoed.

General Interest

A bill died that would have outlawed passengers in pickup trucks.