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# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that a well-trained  
2 workforce is essential for the State's economic growth and the  
3 successful construction of public buildings, infrastructure, and  
4 other development projects.

5       Therefore, the purpose of this Act is to require  
6 contractors and subcontractors bidding on public works projects  
7 to utilize apprentices in state-registered apprenticeship  
8 programs, thereby further incentivizing bidders to participate  
9 in state-registered apprenticeship programs, and guaranteeing a  
10 steady supply of trained labor.

11       SECTION 2. Section 103-55.6, Hawaii Revised Statutes, is  
12 amended as follows:

13       1. By amending subsection (a) to read:

14       "(a) A governmental body, as defined in section 103D-104,  
15 that enters into a public works contract under this chapter  
16 having an estimated value of not less than \$250,000, shall  
17 ~~[decrease the bid amount of a bidder by five per cent if the~~



~~bidder is a party to an apprenticeship agreement registered with the department of labor and industrial relations for each apprenticeable trade the bidder will employ to construct the public works, and in conformance with chapter 372.]~~ apply a five percent bid preference if the bidder and subcontractors utilized by the bidder are parties to all registered apprenticeship agreements for the apprenticeable trades to construct the project pursuant to chapter 372, and approved by the department of labor and industrial relations. This requirement shall not apply to contractors or subcontractors employing trades or classifications for which no state-approved apprenticeship program exists. The lowest total bid, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference."

2. By amending subsection (c) to read:

"(c) At the time of submission of a competitive sealed bid or a competitive sealed proposal by a bidder, the bidder shall furnish written proof ~~[of]~~ that either it or its subcontractors being a party to a registered apprenticeship agreement for



1 ~~[each]~~ all apprenticeable ~~[trade]~~ trades the bidder ~~[will employ~~  
2 ~~to construct the public works]~~ or the bidder's subcontractors  
3 will perform work for which a state-approved apprenticeship  
4 program exists and the bidder will utilize to construct the  
5 public works and, if awarded the contract, shall continue to  
6 certify monthly in writing that the bidder ~~[is a party]~~ and the  
7 bidder's subcontractors are parties to a registered  
8 apprenticeship agreement for ~~[each]~~ the apprenticeable ~~[trade~~  
9 ~~the bidder will employ]~~ trades they utilize to construct the  
10 public works for the entire duration of the bidder's work on the  
11 project. This subsection shall be deemed to be incorporated  
12 into a public works contract. A bidder who is awarded a  
13 contract shall be subject to the following sanctions if, after  
14 commencement of work, the bidder at any time during the  
15 construction is no longer a party to a registered apprenticeship  
16 agreement for each apprenticeable trade the bidder will employ  
17 to construct the public works:

- 18 (1) Temporary or permanent cessation of work on the  
19 project, without recourse to breach of contract claims  
20 by the bidder; provided that the governmental body  
21 shall be entitled to restitution for nonperformance or



1 liquidated damages, or to find the contractor in  
2 default, as appropriate; or

3 (2) Proceedings to debar or suspend under section 103D-  
4 702."

5 SECTION 3. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

Procurement; Public Works Contracts; Apprenticeship

**Description:**

Requires a bidder and their subcontractors for certain public works construction contracts to utilize apprentices if the bidder receives a bidding advantage for being a party to an apprenticeship agreement registered with the State at the time of general bidding and is awarded the contract. Effective 7/1/3000. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

