
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103-55.6, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending its title and subsection (a) to read:

4 "[~~§~~103-55.6[~~§~~] **Public works construction; apprenticeship**
5 **agreement.** (a) A governmental body, as defined in section
6 103D-104, that enters into a public works contract under this
7 chapter having an estimated value of not less than \$250,000,
8 shall decrease the bid amount of a bidder by five per cent if
9 the bidder, or a subcontractor employed by the bidder, is a
10 party to an apprenticeship agreement registered with the
11 department of labor and industrial relations for each
12 apprenticeable trade the bidder or subcontractor will employ to
13 construct the public works, and in conformance with chapter 372.
14 The lowest total bid, taking the preference into consideration,
15 shall be awarded the contract unless the solicitation provides
16 for additional award criteria. The contract amount awarded,



1 however, shall be the amount of the price offered, exclusive of
2 the preference."

3 2. By amending subsections (c) and (d) to read:

4 "(c) At the time of submission of a competitive sealed bid
5 or a competitive sealed proposal by a bidder, the bidder shall
6 furnish written proof [~~of being~~] that the bidder or a
7 subcontractor employed by the bidder, if applicable, is a party
8 to a registered apprenticeship agreement for each apprenticeable
9 trade the bidder or the subcontractor will employ to construct
10 the public works and, if awarded the contract, shall continue to
11 certify monthly in writing that the bidder or subcontractor, if
12 applicable, is a party to a registered apprenticeship agreement
13 for each apprenticeable trade the bidder or subcontractor will
14 employ to construct the public works for the entire duration of
15 the bidder's work on the project. This subsection shall be
16 deemed to be incorporated into a public works contract. A
17 bidder who is awarded a contract shall be subject to the
18 following sanctions if, after commencement of work, the bidder
19 or a subcontractor employed by the bidder at any time during the
20 construction is no longer a party to a registered apprenticeship
21 agreement for each apprenticeable trade the bidder or the
22 subcontractor will employ to construct the public works:



(1) Temporary or permanent cessation of work on the project, without recourse to breach of contract claims by the bidder; provided that the governmental body shall be entitled to restitution for nonperformance or liquidated damages, as appropriate; or

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

(d) For purposes of this section[, ~~"bidder"~~]:

"Bidder" means an entity that submits a competitive sealed bid under section 103D-302 or submits a competitive sealed proposal under section 103D-303.

"Subcontractor" means any entity, organization, or individual that enters into, or intends to enter into, a contract or agreement with a bidder to provide construction services on a public works project."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Procurement; Apprenticeable Trade, Subcontractor

Description:

Permits bidders and their subcontractors who are registered under an apprenticeship agreement with DLIR to benefit from a 5% reduction in their bid amount on contracts for \$250,000 or more. Effective 7/1/2050. (SD1)

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