### A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

Section 103-55.6, Hawaii Revised Statutes, is 1 SECTION 1. 2 repealed. 3 ["[\$103-55.6] - Public works construction; apprenticeship agreement. (a) A governmental body, as defined in section 103D 104, that-enters into a public works contract under this 5 chapter-having an estimated-value of not less than \$250,000, 6 7 shall decrease the bid amount of a bidder by five per cent if 8 the bidder is a party to an apprenticeship agreement registered 9 with the department of labor and industrial relations for each 10 apprenticeable trade the bidder will employ to construct the public works, and in conformance with chapter 372. The lowest 11 12 total bid, taking the preference into consideration, shall be 13 awarded the contract unless the solicitation provides for 14 additional award criteria. The contract amount awarded, 15 however, shall be the amount of the price offered, exclusive of 16 the preference. (b) For purposes of subsection—(a), in determining whether **17** 

there is conformance with chapter 372, the procurement officer

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1	shall consider the actual number of apprentices envolled in and
2	the annual number of graduates of the apprenticeship program.
3	(c) At the time of submission of a competitive sealed bid
4	or a competitive sealed proposal by a bidder, the bidder shall
5	furnish-written proof of being a party to a registered
6	apprenticeship agreement for each apprenticeable trade the
7	bidder will-employ to construct-the public works and, if awarded
. 8	the contract, shall continue to-certify monthly in writing that
9	the bidder is a party to a registered apprenticeship agreement
10	for each apprenticeable trade the bidder will employ to
11	construct the public works for the entire duration of the
12	bidder's work on the project. This subsection shall be deemed
13	to be incorporated into a public works contract. A bidder who
14	is-awarded a contract shall be subject to the following
15	sanctions if, after commencement of work, the bidder at any time
16	during the construction is no longer a party to a registered
17	apprenticeship agreement for each apprenticeable trade the
18	bidder will employ to construct the public-works:
19	-(1) Temporary or permanent cessation of work on the
20	project, without recourse to breach of contract claims
21	by the bidder; provided that the governmental body

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1	shall be entitled to restitution for nonperformance or
2	liquidated damages, as appropriate; or
3	(2) Proceedings to debar or suspend under section 103D-
4	<del>702.</del>
5	(d) For purposes of this section, "bidder" means an entity
6	that submits a competitive sealed bid under section 103D 302 or
7	submits a competitive sealed proposal under-section 103D-303."]
8	SECTION 2. This Act does not affect rights and duties that
9	matured, penalties that were incurred, and proceedings that were
10	begun before its effective date.
11	SECTION 3. Statutory material to be repealed is bracketed
12	and stricken.
13	SECTION 4. This Act shall take effect upon its approval.
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	INTRODUCED BY: Lvans

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#### Report Title:

Procurement; Public Works; Construction

### Description:

Repeals five per cent preference for bidders on public works construction contracts who are party to an apprenticeship agreement.

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