A BILL FOR AN ACT

RELATING TO PUBLIC WORKS.

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

1	SECTION 1. Section 103-55.5, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"[+]\$103-55.5[+] Wages and hours of employees on public
4	works construction contracts. (a) Before any bidder or offeror
5	enters into a contract for construction of a public work project
6	in excess of $[\$2,000,]$ $\$5,000,$ which is subject to chapter 104,
7	the bidder or offeror shall affirm the bidder's or offeror's
8	intent to comply with the requirements of chapter 104 by
9	certifying that:
10	(1) Individuals engaged in the performance of the contract
11	on the job site shall be paid:
12	(A) Not less than the wages that the director of
13	labor and industrial relations shall have
14	determined to be prevailing for corresponding
15	classes of laborers and mechanics employed on
16	public works projects: and

1	(B) Overtime compensation at one and one-half times
2	the basic hourly rate plus fringe benefits for
3	hours worked on Saturday, Sunday, or a legal
4	holiday of the State or in excess of eight hours
5	on any other day; and
6	(2) All applicable laws of the federal and state
7	governments relating to workers' compensation,
8	unemployment compensation, payment of wages, and
9	safety shall be fully complied with.
10	(b) No contract for construction of any public work
11	project in excess of $[\$2,000]$ $\$5,000$ shall be granted unless all
12	the conditions of this section are met.
13	(c) It shall be the duty of the governmental contracting
14	agency awarding the contract for construction of a public work
15	project in excess of $[\$2,000]$ $\$5,000$ to enforce this section."
16	SECTION 2. Section 104-2, Hawaii Revised Statutes, is
17	amended as follows:
18	1. By amending subsection (a) to read:

"(a) This chapter shall apply to every contract in excess

of [\$2,000] \$5,000 for construction of a public work project to

which a governmental contracting agency is a party; provided

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- 1 that this chapter shall not apply to experimental and
- 2 demonstration housing developed pursuant to section 46-15 or
- 3 housing developed pursuant to chapter 201H if the cost of the
- 4 project is less than \$500,000 and the eliqible bidder or
- 5 eligible developer is a private nonprofit corporation.
- 6 For the purposes of this subsection:
- 7. "Contract" includes but is not limited to any agreement,
- 8 purchase order, or voucher in excess of [\$2,000] \$5,000 for
- 9 construction of a public work project.
- "Governmental contracting agency" includes:
- 11 (1) Any person or entity that causes either directly or
- indirectly the building or development of a public
- work; and
- 14 (2) Any public-private partnership.
- "Party" includes eligible bidders for and eligible
- 16 developers of any public work and any housing under chapter
- 17 201H; provided that this subsection shall not apply to any
- 18 housing developed under section 46-15 or chapter 201H if the
- 19 entire cost of the project is less than \$500,000 and the
- 20 eligible bidder or eligible developer is a private nonprofit
- 21 corporation."

- 1 2. By amending subsection (f) to read:
- 2 "(f) Every contract in excess of [\$2,000] \$5,000 for
- 3 construction of a public work project and the specifications for
- 4 such contract shall include provisions that set forth the
- 5 requirements of subsections (a) to (e); provided that failure by
- 6 the contracting agency to include those provisions in the
- 7 contract or specifications shall not be a defense of the
- 8 contractor or subcontractor for noncompliance with the
- 9 requirements of this chapter."
- 10 SECTION 3. This Act does not affect rights and duties that
- 11 matured, penalties that were incurred, and proceedings that were
- 12 begun before its effective date.
- 13 SECTION 4. Statutory material to be repealed is bracketed
- 14 and stricken. New statutory material is underscored.
- 15 SECTION 5. This Act shall take effect on July 1, 2015.

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INTRODUCED BY:

JAN 23 2015

Report Title:

Public Works Projects; Contracts; Prevailing Wages

Description:

Increases from \$2,000 to \$5,000 the cost threshold of a public works contract that requires a contractor to pay prevailing wages.

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