

JAN 23 2015

A BILL FOR AN ACT

RELATING TO WAGES AND HOURS ON PUBLIC WORKS.

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

1 SECTION 1. Section 104-1, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§104-1 Definitions.** As used in this chapter, the
4 following words and phrases shall have the following meanings:

5 "Basic hourly rate" means the hourly wage paid to a laborer
6 or mechanic for work performed during nonovertime hours, but
7 shall not include the cost to an employer of furnishing fringe
8 benefits, whether paid directly or indirectly to the laborer or
9 mechanic as provided in the definition of "wages".

10 "Construction" includes alteration, repair, painting, and
11 decorating.

12 "Contractor" means any person furnishing construction for a
13 public work under a contract with a governmental contracting
14 agency, subcontractor, or any other person under a subcontract
15 arrangement with any person who has a construction contract
16 subject to this chapter.



1 "Department" means the department of labor and industrial
2 relations.

3 "Director" means the director of labor and industrial
4 relations of the State.

5 "Governmental contracting agency" means the State, any
6 county and any officer, bureau, board, commission, or other
7 agency or instrumentality thereof.

8 "Overtime compensation" means compensation based on not
9 less than one and one-half times the laborers or mechanics basic
10 hourly rate of pay plus the cost to an employer of furnishing a
11 laborer or mechanic with fringe benefits as described in the
12 definition of "wages"[-]; provided that if the department
13 determines that the prevailing wage is determined by a group
14 represented by a collective bargaining agreement, the overtime
15 and any other premium rates of pay shall be at the rates set by
16 the collective bargaining agreement.

17 "Public work" means any project, including development of
18 any housing pursuant to section 46-15 or chapter 201H and
19 development, construction, renovation, and maintenance related
20 to refurbishment of any real or personal property, where the
21 funds or resources required to undertake the project are to any



1 extent derived, either directly or indirectly, from public
2 revenues of the State or any county, or from the sale of
3 securities or bonds whose interest or dividends are exempt from
4 state or federal taxes.

5 "Wages", "rate of wages", "wage rates", "minimum wages" and
6 "prevailing wages" mean the basic hourly rate and the cost to an
7 employer of furnishing a laborer or mechanic with fringe
8 benefits, including but not limited to health and welfare
9 benefits, vacation benefits, and pension benefits, whether paid
10 directly or indirectly to the laborer or mechanic."

11 SECTION 2. Section 104-2, Hawaii Revised Statutes, is
12 amended by amending subsection (c) to read as follows:

13 "(c) No laborer or mechanic employed on the job site of
14 any public work of the State or any political subdivision
15 thereof shall be permitted or required to work on Saturday,
16 Sunday, or a legal holiday of the State or in excess of eight
17 hours on any other day unless the laborer or mechanic receives
18 overtime compensation for all hours worked on Saturday, Sunday,
19 and a legal holiday of the State or in excess of eight hours on
20 any other day. The rate for overtime work shall be those rates



1 specified in the collective bargaining agreement when the basic
2 hourly rate is based on a collective bargaining agreement rate.

3 For purposes of determining overtime compensation under
4 this subsection, the basic hourly rate of any laborer or
5 mechanic shall not be less than the basic hourly rate determined
6 by the director to be the prevailing basic hourly rate for
7 corresponding classes of laborers and mechanics on projects of
8 similar character in the State."

9 SECTION 3. Section 444-16.5, Hawaii Revised Statutes, is
10 amended to read as follows:

11 **"§444-16.5 Bond.** The contractors license board may
12 require each licensee, applicant, individual or corporate, who
13 is a specialty contractor to put up bond in the sum of not less
14 than \$5,000 executed by the licensee or applicant as principal
15 and by a surety company authorized to do business in the State
16 as surety.

17 The board may require each licensee, applicant, individual
18 or corporate, who is a general contractor to put up a bond in
19 the sum of not less than \$5,000 executed by the licensee or
20 applicant as principal and by a surety company authorized to do
21 business in the State as surety.



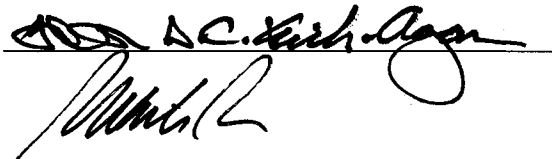

1 The board, in exercising its discretion shall take into
2 consideration the licensee's or applicant's financial condition
3 and experience in the field.

4 The bond shall be in such form as the board may prescribe,
5 conditioned upon the payment of wages, as defined in section
6 ~~[104-1(7)]~~, 104-1 to the employees of the contractor or any
7 other person or entity entitled to such wages when due, and
8 giving employees or any other person or entity entitled to such
9 wages who have not been paid a right of action on the bond in
10 their own names; and upon the honest conduct of the business of
11 the licensee, and upon the right of any person injured or
12 damaged by any wrongful act of the licensee to bring an action
13 on the bond; provided that any claim for wages shall have
14 priority over all other claims."

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on July 1, 2015.

18
INTRODUCED BY:



S.B. NO. 216

Report Title:

Overtime Compensation; Public Works

Description:

For government public works construction contracts greater than \$2,000, provides that overtime compensation be not less than 1-1/2 times the laborers or mechanics basic hourly rate of pay plus fringe benefits and that if the department of labor and industrial relations determines that the prevailing wage is determined by a group represented by collective bargaining, then the overtime and any other premium shall be at the same rates set by the collective bargaining agreement. Specifies that the overtime rate be as specified in the collective bargaining agreement when the basic hourly rate is based on a collective bargaining agreement.

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