## 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 amended by amending the definition of "overtime compensation" to 2 3 read as follows: ""Overtime compensation" means compensation based on not 4 5 less than one and one-half times the [<del>laborers</del>] laborer's or 6 [mechanics] mechanic's basic hourly rate of pay plus the cost to an employer of furnishing a laborer or mechanic with fringe 7 benefits as described in the definition of "wages" [-]; provided 8

- 9 that if the department determines that the prevailing wage is
- 10 determined by a group represented by a collective bargaining
- 11 agreement, the overtime and any other premium rates of pay shall
- be at the rates set by the collective bargaining agreement." 12
- 13 SECTION 2. Section 104-2, Hawaii Revised Statutes, is
- amended by amending subsection (c) to read as follows: 14
- No laborer or mechanic employed on the job site of 15
- any public work of the State or any political subdivision 16
- 17 thereof shall be permitted or required to work on Saturday,
- Sunday, or a legal holiday of the State or in excess of eight 18 2015-1406 SB216 SD1 SMA.doc

- 1 hours on any other day unless the laborer or mechanic receives
- 2 overtime compensation for all hours worked on Saturday, Sunday,
- 3 and a legal holiday of the State or in excess of eight hours on
- 4 any other day. The rate for overtime work shall be those rates
- 5 specified in the collective bargaining agreement when the basic
- 6 hourly rate is based on a collective bargaining agreement rate.
- 7 For purposes of determining overtime compensation under
- 8 this subsection, the basic hourly rate of any laborer or
- 9 mechanic shall not be less than the basic hourly rate determined
- 10 by the director to be the prevailing basic hourly rate for
- 11 corresponding classes of laborers and mechanics on projects of
- 12 similar character in the State."
- 13 SECTION 3. Section 444-16.5, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- 15 "\$444-16.5 Bond. The contractors license board may
- 16 require each licensee, applicant, individual or corporate, who
- 17 is a specialty contractor to put up bond in the sum of not less
- 18 than \$5,000 executed by the licensee or applicant as principal
- 19 and by a surety company authorized to do business in the State
- 20 as surety.

The board may require each licensee, applicant, individual 1 2 or corporate, who is a general contractor to put up a bond in the sum of not less than \$5,000 executed by the licensee or 3 4 applicant as principal and by a surety company authorized to do 5 business in the State as surety. 6 The board, in exercising its discretion shall take into 7 consideration the licensee's or applicant's financial condition 8 and experience in the field. 9 The bond shall be in such form as the board may prescribe, 10 conditioned upon the payment of wages, as defined in section 11  $\left[\frac{104-1(7)}{7}\right]$  104-1, to the employees of the contractor or any 12 other person or entity entitled to such wages when due, and 13 giving employees or any other person or entity entitled to such 14 wages who have not been paid a right of action on the bond in 15 their own names; and upon the honest conduct of the business of 16 the licensee, and upon the right of any person injured or 17 damaged by any wrongful act of the licensee to bring an action 18 on the bond; provided that any claim for wages shall have 19 priority over all other claims." SECTION 4. Statutory material to be repealed is bracketed

and stricken. New statutory material is underscored.

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

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## 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 laborer's or mechanic's 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. (SD1)

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