

JAN 22 2016

A BILL FOR AN ACT

RELATING TO WASTE MANAGEMENT.

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

1 SECTION 1. Section 103-10, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§103-10 Payment for goods and services. (a) Any person
4 who renders a proper statement for goods delivered or services
5 performed, pursuant to contract, to any agency of the State or
6 any county, shall be paid no later than thirty calendar days
7 following receipt of the statement or satisfactory delivery of
8 the goods or performance of the services. In the event
9 circumstances prevent the paying agency from complying with this
10 section, the person shall be entitled to interest from the
11 paying agency on the principal amount remaining unpaid at a rate
12 equal to the prime rate for each calendar quarter plus two per
13 cent, commencing on the thirtieth day following receipt of the
14 statement or satisfactory delivery of the goods or performance
15 of the services, whichever is later, and ending on the date of
16 the check. As used in this subsection, "prime rate" means the



1 prime rate as posted in the Wall Street Journal on the first
2 business day of the month preceding the calendar quarter.

3 (b) This section shall not apply in those cases where
4 delay in payment is due to:

5 (1) A bona fide dispute between the State or any county
6 and the contractor concerning the services or goods
7 contracted for;

8 (2) A labor dispute;

9 (3) A power or mechanical failure;

10 (4) Fire;

11 (5) Acts of God; or

12 (6) Any similar circumstances beyond the control of the
13 State or any county.

14 Where the time of payment is contingent upon the receipt of
15 federal funds, or federal approval, the solicitation of bids for
16 contracts shall clearly state that payment is contingent upon
17 those conditions. If the solicitation for bids contains the
18 warning and a contract is awarded in response to the
19 solicitation then interest shall not begin to accrue upon any
20 unpaid voucher until the thirtieth day following receipt by the
21 State or county of the contractor's statement or the thirtieth



1 day following receipt of the federal funds or approval,
2 whichever occurs later, and shall end as of the date of the
3 check.

4 (c) All goods or services purchased by a state agency
5 which are less than \$25, except those purchased through the use
6 of a state procurement card, shall be paid from the petty cash
7 funds of the agency; provided that the comptroller may establish
8 a higher threshold for petty cash payments and may grant
9 exceptions to this requirement.

10 (d) Any other law to the contrary notwithstanding, the
11 payments for goods and services obtained through use of any
12 state or county procurement card shall be made under the terms
13 and conditions specified in the contract under which the
14 procurement card was established.

15 (e) Beginning July 1, 2016, in the case of a contract with
16 any agency of the State or any county that includes the disposal
17 of liquid or solid waste, including but not limited to
18 construction waste, in order for payment to be made pursuant to
19 subsection (a), the statement for services performed shall
20 include a receipt from a licensed waste management facility
21 showing that the waste was properly received and lawfully



1 disposed of in an appropriate, licensed waste facility. The
 2 state or county agency shall not make any full or partial
 3 payment to the contractor until the contractor provides the
 4 receipt to the agency."

5 SECTION 2. New statutory material is underscored.

6 SECTION 3. This Act shall take effect on July 1, 2016.

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S.B. NO. 2358

Report Title:

Disposal of Liquid or Solid Waste; Contracts; Payments

Description:

Beginning July 1, 2016, requires that all state and county agency contracts that include disposal of liquid or solid waste to provide a receipt that the waste was received and disposed of at a licensed facility before full or partial payment is made for those contractual services.

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