# A BILL FOR AN ACT

RELATING TO ENFORCEMENT OF WAGE LAWS.

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

- 1 SECTION 1. Section 104-24, Hawaii Revised Statutes, is
- 2 amended by amending subsections (a) through (c) to read as
- 3 follows:
- 4 "(a) Where the department finds that a first violation of
- 5 this chapter has been committed, the department shall assess a
- 6 penalty equal to [ten] twenty-five per cent of the amount of
- 7 back wages found due or [\$25] \$250 per offense, up to \$2,500,
- 8 whichever is greater.
- 9 (b) Where the department finds that a second violation of
- 10 this chapter has been committed, whether on the same [contract]
- 11 or another  $[\tau]$  contract, within two years of the first
- 12 notification of violation, the department, after proper notice
- 13 and opportunity for hearing, shall order the person or firm in
- 14 violation to pay a penalty equal to the amount of back wages
- 15 found due or [\$100] \$500 for each offense, up to \$5,000,
- 16 whichever is greater.
- (c) Where the department finds that a third violation of
- 18 this chapter has been committed, whether on the same [contract]



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- 1 or another[7] contract, within [two] three years of the second
- 2 notification of violation, the department, after proper notice
- 3 and opportunity for hearing, shall order the person or firm in
- 4 violation:
- 5 (1) To pay a penalty equal to two times the amount of back
  6 wages found due or [\$\frac{\$200}{200}\$] \$\frac{\$1,000}{200}\$ for each offense, up
  7 to \$10,000, whichever is greater; and
- 8 (2) To be suspended from doing any new work on any public 9 work of a governmental contracting agency for a period 10 of three years except as provided in section 11 104-25(a)(2). "New work on any public work" includes 12 any public works project in which the suspended person 13 or firm has not begun work at the job site as of the 14 date of the suspension order. The suspension shall be 15 effective on the later of the twenty-first day after 16 the notification of violation has been sent, or upon 17 the issuance of a decision pursuant to section 18 104-23(c)."
- SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

- 1 SECTION 3. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 4. This Act shall take effect on July 1, 2016.

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### Report Title:

Wages and Hours Enforcement; Penalties; Public Works; Government Contracts

### Description:

Amends the monetary penalties for contractors who violate wages and hours laws. (CD1)

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