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# A BILL FOR AN ACT

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RELATING TO PUBLIC WORKS.

**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 (b) and (c) to read as follows:

3           "(b)   Where the department finds that a second violation of  
4   this chapter has been committed, whether on the same or another  
5   contract, within two years of the first notification of  
6   violation, the department, after proper notice and opportunity  
7   for hearing, shall order the person [~~or~~] and firm in violation  
8   to pay a penalty equal to the amount of back wages found due or  
9   \$500 for each offense, up to \$5,000, whichever is greater.

10          (c)   Where the department finds that a third violation of  
11   this chapter has been committed, whether on the same or another  
12   contract, within three years of the second notification of  
13   violation, the department, after proper notice and opportunity  
14   for hearing, shall order the person [~~or~~] and firm in violation:

15          (1)   To pay a penalty equal to two times the amount of back  
16                  wages found due or \$1,000 for each offense, up to  
17                  \$10,000, whichever is greater; and



(2) To be suspended from doing any new work on any public work of a governmental contracting agency for a period of three years except as provided in section 104-25(a)(2). "New work on any public work" includes any public works project in which the suspended person or firm has not begun work at the job site as of the date of the suspension order. The suspension shall be effective on the later of the twenty-first day after the notification of violation has been sent, or upon the issuance of a decision pursuant to section 104-23(c)."

SECTION 2. Section 104-25, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) The director shall suspend a person ~~or~~ and firm as follows:

(1) For a first or second violation, if a person or firm fails to pay wages found due, any penalty assessed, or both, the person ~~or~~ and firm shall be immediately suspended from doing any work on any public work of a



1 governmental contracting agency until all wages and  
2 penalties are paid in full;

3 (2) For a third violation, the suspension shall be as  
4 prescribed in section 104-24(c); provided that, if the  
5 person or firm continues to violate this chapter or  
6 fails to pay wages found due or any penalty assessed,  
7 or both, then the person [~~or~~] and firm shall  
8 immediately be suspended from doing any work on any  
9 public work of a governmental contracting agency for a  
10 mandatory three-year period. If after the three-year  
11 suspension period the wages found due or penalties  
12 assessed are still unpaid, the suspension shall remain  
13 in force until payment is made in full; or

14 (3) For falsification of records, or for delay or  
15 interference with an investigation pursuant to section  
16 104-22, the person [~~or~~] and firm shall be immediately  
17 suspended for a period of three years."

18 2. By amending subsection (c) to read:

19 "(c) No contract shall be awarded to the person [~~or~~] and  
20 firm so suspended or to any firm, corporation, partnership, or  
21 association in which the person or firm has an interest, direct



1 or indirect, until three years have elapsed from the date of  
2 suspension, unless the period of suspension is reduced as herein  
3 provided. Any contract awarded in violation of this subsection  
4 shall be void."

5 SECTION 3. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

*Se*

JAN 26 2022



# H.B. NO. 2440

**Report Title:**

Wages and Hours of Employees on Public Works; Violations;  
Penalties; Suspension

**Description:**

Imposes penalty on both the person and firm upon finding of repeat violations of state law governing wages and hours of employees on public works.

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