
A BILL FOR AN ACT

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 as follows:

3 1. By amending subsections (b) and (c) to read:

4 "(b) Where the department finds that a second violation of
5 this chapter has been committed, whether on the same or another
6 contract, within two years of the first notification of
7 violation, the department, after proper notice and opportunity
8 for hearing, shall order the person [~~or~~] and firm in violation
9 to pay a penalty equal to the amount of back wages found due or
10 \$500 for each offense, up to \$5,000, whichever is greater.

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



1 (1) ~~[To pay]~~ Pay a penalty equal to two times the amount
2 of back wages found due or \$1,000 for each offense, up
3 to \$10,000, whichever is greater; and

4 (2) ~~[To be]~~ Be suspended from doing any new work on any
5 public work of a governmental contracting agency for a
6 period of three years except as provided in section
7 104-25(a) (2). "New work on any public work" includes
8 any public works project in which the suspended person
9 or firm has not begun work at the job site as of the
10 date of the suspension order. The suspension shall be
11 effective on the later of the twenty-first day after
12 the notification of violation has been sent, or upon
13 the issuance of a decision pursuant to section
14 104-23(c)."

15 2. By amending subsection (e) to read:

16 "(e) ~~[For purposes of this section, "offense"]~~ As used in
17 this section:

18 "Offense" means each section of this chapter under which
19 the contractor is cited; provided that, with respect to
20 prevailing wage and overtime citations under section 104-2, each



1 employee and each project shall be considered a separate
2 offense.

3 "Person" includes a sole proprietor and the responsible
4 managing employee and holder of the construction license as
5 provided under chapter 444."

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

8 **"§104-25 Suspension.** (a) The director shall suspend a
9 person [~~or~~] and firm as follows:

10 (1) For a first or second violation, if a person or firm
11 fails to pay wages found due[~~r~~] or any penalty
12 assessed, or both, the person [~~or~~] and firm shall be
13 immediately suspended from doing any work on any
14 public work of a governmental contracting agency until
15 all wages and penalties are paid in full;

16 (2) For a third violation, the suspension shall be as
17 prescribed in section 104-24(c); provided that, if the
18 person or firm continues to violate this chapter or
19 fails to pay wages found due or any penalty assessed,
20 or both, then the person [~~or~~] and firm shall
21 immediately be suspended from doing any work on any



1 public work of a governmental contracting agency for a
2 mandatory three-year period. If after the three-year
3 suspension period the wages found due or penalties
4 assessed are still unpaid, the suspension shall remain
5 in force until payment is made in full; or

6 (3) For falsification of records, or for delay or
7 interference with an investigation pursuant to section
8 104-22, the person [~~or~~] and firm shall be immediately
9 suspended for a period of three years.

10 (b) The director shall immediately notify the governmental
11 contracting agency, comptroller, the auditor or director of
12 finance of the county, and in the case of a suspended
13 subcontractor, the general contractor of any suspension order.

14 (c) No contract shall be awarded to the person [~~or~~] and
15 firm so suspended or to any firm, corporation, partnership, or
16 association in which the person or firm has an interest, direct
17 or indirect, until three years have elapsed from the date of
18 suspension, unless the period of suspension is reduced as herein
19 provided. Any contract awarded in violation of this subsection
20 shall be void.



1 (d) As used in this section, "person" shall have the same
2 meaning as in section 104-24."

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

5 SECTION 4. This Act shall take effect on December 25,
6 2040.

7



Report Title:

Wages and Hours of Employees on Public Works; Penalties

Description:

Imposes penalty on both the person and firm upon finding of certain violations of state law governing wages and hours of employees on public works. Defines "person" for these purposes. Effective 12/25/2040. (HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

