
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 violation:



(1) To pay a penalty equal to two times the amount of back wages found due or \$1,000 for each offense, up to \$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)."

2. By amending subsection (e) to read:

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

"Firm" includes a contractor, corporation, limited liability company, partnership, and limited partnership.

"Offense" means each section of this chapter under which the contractor is cited; provided that, with respect to



1 prevailing wage and overtime citations under section 104-2, each
2 employee and each project shall be considered a separate
3 offense.

4 "Person" includes the officers and directors of a
5 corporation, managers and members of a limited liability
6 company, partners, and limited partners."

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

9 "(a) The director shall suspend [a] the person [~~or~~] and
10 firm as follows:

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

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



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

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

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

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



1 (d) As used in this section:

2 "Firm" includes a contractor, corporation, limited
3 liability company, partnership, and limited partnership.

4 "Person" includes the officers and directors of a
5 corporation, managers and members of a limited liability
6 company, partners, and limited partners."

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

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



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. (SD1)

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

