
HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO STUDY THE FEASIBILITY OF LIMITING THE COSTS OF PROJECT AND CONSTRUCTION MANAGEMENT IN EACH STATE CONSTRUCTION PROJECT TO TEN PERCENT OF THE TOTAL COST OF THE PROJECT.

1 WHEREAS, the State expends more than \$1 billion per year on
2 capital improvement projects, including construction or
3 renovation of roads, buildings, harbors, and airports; and
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5 WHEREAS, Honolulu has some of the highest construction
6 costs in the world due, in part, to the high cost of
7 transporting goods to Hawaii, the cost of fuel, and high labor
8 costs; and
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10 WHEREAS, the costs for project and construction management,
11 which traditionally should account for seven to eleven percent
12 of a project, have increased significantly over the last decade,
13 with some contractors charging as much as fifteen percent of a
14 project's cost for management expenses; and
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16 WHEREAS, being able to control rising construction costs
17 would help to more efficiently use state funds; now, therefore,
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19 BE IT RESOLVED by the House of Representatives of the
20 Thirty-third Legislature of the State of Hawaii, Regular Session
21 of 2025, that the Department of Accounting and General Services
22 is requested to study the feasibility of limiting the costs of
23 project and construction management costs in each state
24 construction project to ten percent of the total cost of the
25 project; and
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27 BE IT FURTHER RESOLVED that the Department of Accounting
28 and General Services is requested to submit a report of its
29 findings and recommendations, including any proposed
30 legislation, to the Legislature no later than twenty days prior
31 to the convening of the Regular Session of 2026; and



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BE IT FURTHER RESOLVED that a certified copy of this
Resolution be transmitted to the Comptroller.

OFFERED BY:

A handwritten signature in black ink, appearing to be "R. J. ...", written over a horizontal line.

MAR 05 2025

