

MAR 16 2026

SENATE CONCURRENT RESOLUTION

URGING ALL STATE AND COUNTY AGENCIES INVOLVED IN CONSTRUCTION
PROCUREMENT TO IMPLEMENT PROMPT PAYMENT TRANSPARENCY
MEASURES AND EXPRESSING APPRECIATION TO THE PUBLIC WORKS
DIVISION OF THE DEPARTMENT OF ACCOUNTING AND GENERAL
SERVICES FOR ITS EFFORTS.

1 WHEREAS, prompt and timely payment of amounts due on state
2 and county construction projects is an essential management
3 practice that promotes efficiency and fairness; and
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5 WHEREAS, Act 291, Session Laws of Hawaii 2006 (Act 291),
6 resolved many issues related to prompt payment, benefiting prime
7 contractors and subcontractors; and
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9 WHEREAS, retainage - the withholding of a percentage of
10 construction funds to ensure proper and timely completion of
11 work - is a common practice, but complaints persist regarding
12 overdue retainage and delayed progress payments; and
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14 WHEREAS, excessive delays in releasing retainage harm
15 contractors economically and threaten their continued success;
16 and
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18 WHEREAS, following Act 291, the Public Works Division of
19 the Department of Accounting and General Services established a
20 contractor payment website providing detailed information on job
21 progress, payments to prime contractors, retainage amounts, and
22 subcontractor payment status; and
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24 WHEREAS, this transparency promotes fair dealings and
25 accountability between prime contractors and subcontractors; and
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S.C.R. NO. 178

1 WHEREAS, similar practices by other procuring agencies
 2 would improve efficiency and fairness in construction
 3 procurement statewide; now, therefore,

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 5 BE IT RESOLVED by the Senate of the Thirty-third
 6 Legislature of the State of Hawaii, Regular Session of 2026, the
 7 House of Representatives concurring, that all state and county
 8 agencies involved in construction procurement are urged to
 9 implement prompt payment transparency measures; and

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 11 BE IT FURTHER RESOLVED that this body expresses its
 12 appreciation to the Public Works Division of the Department of
 13 Accounting and General Services for its efforts in promoting
 14 prompt payment transparency and serving as a model for other
 15 procuring agencies; and

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 17 BE IT FURTHER RESOLVED that all state and county agencies
 18 involved in construction procurement are requested to implement
 19 a contractor payment public website within one year of the
 20 adoption of this Concurrent Resolution and submit a report on
 21 its progress, including any proposed legislation, to the
 22 Legislature no later than twenty days prior to the convening of
 23 the Regular Session of 2027; and

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 25 BE IT FURTHER RESOLVED that any state or county agency
 26 unable to establish such a website is requested to provide a
 27 written explanation of the barriers to implementation so that
 28 the Legislature may address these obstacles during the Regular
 29 Session of 2027; and

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 31 BE IT FURTHER RESOLVED that certified copies of this
 32 Concurrent Resolution be transmitted to the Comptroller,
 33 Director of Transportation, Superintendent of Education,
 34 President of the University of Hawaii, Mayors of each county,
 35 Executive Director of the General Contractors Association of
 36 Hawaii, and President of the Subcontractors Association of
 37 Hawaii.

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 40 OFFERED BY: _____


