

MAR 16 2026

SENATE 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
4

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
8

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
13

14 WHEREAS, excessive delays in releasing retainage harm
15 contractors economically and threaten their continued success;
16 and
17

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
23

24 WHEREAS, this transparency promotes fair dealings and
25 accountability between prime contractors and subcontractors; and
26

27 WHEREAS, similar practices by other procuring agencies
28 would improve efficiency and fairness in construction
29 procurement statewide; now, therefore,
30



S.R. NO. 173

1 BE IT RESOLVED by the Senate of the Thirty-third
 2 Legislature of the State of Hawaii, Regular Session of 2026,
 3 that all state and county agencies involved in construction
 4 procurement are urged to implement prompt payment transparency
 5 measures; and

6
 7 BE IT FURTHER RESOLVED that this body expresses its
 8 appreciation to the Public Works Division of the Department of
 9 Accounting and General Services for its efforts in promoting
 10 prompt payment transparency and serving as a model for other
 11 procuring agencies; and

12
 13 BE IT FURTHER RESOLVED that all state and county agencies
 14 involved in construction procurement are requested to implement
 15 a contractor payment public website within one year of the
 16 adoption of this Resolution and submit a report on its progress,
 17 including any proposed legislation, to the Legislature no later
 18 than twenty days prior to the convening of the Regular Session
 19 of 2027; and

20
 21 BE IT FURTHER RESOLVED that any state or county agency
 22 unable to establish such a website is requested to provide a
 23 written explanation of the barriers to implementation so that
 24 the Legislature may address these obstacles during the Regular
 25 Session of 2027; and

26
 27 BE IT FURTHER RESOLVED that certified copies of this
 28 Resolution be transmitted to the Comptroller, Director of
 29 Transportation, Superintendent of Education, President of the
 30 University of Hawaii, Mayors of each county, Executive Director
 31 of the General Contractors Association of Hawaii, and President
 32 of the Subcontractors Association of Hawaii.

33
 34
 35

OFFERED BY: _____


