

ACT 95

H.B. NO. 685

A Bill for an Act Relating to Public Purchases.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 103-10, Hawaii Revised Statutes, is amended to read as follows:

"Sec. 103-10 Payment for goods and services. Any person who renders a proper statement for goods delivered or services performed, pursuant to contract, to any agency of the State or any county, shall be paid no later than sixty calendar days following receipt of the statement. In the event circumstances prevent the paying agency from complying with this section, the person shall be entitled to interest from the paying agency on the principal amount remaining unpaid at a rate of one per cent per month commencing on the sixtieth day following receipt of the statement. This section shall not apply in those cases where delay in payment is due to a bonafide dispute between the State and the contractor concerning the services or goods contracted for. This section shall apply only to those cases where payment is withheld arbitrarily or erroneously. Where the time of payment is contingent upon the receipt of federal funds, or federal approval, the solicitation of bids for contracts shall clearly state that payment is contingent upon such conditions. If the solicitation for bids contains the warning and a contract is awarded in response to the solicitation then interest will not begin to accrue upon any unpaid voucher until the sixtieth day following receipt by the State of the contractor's statement, or the thirtieth day following receipt of the federal funds or approval, whichever occurs later."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 12, 1977.)

*Edited accordingly.