

JAN 25 2006

A BILL FOR AN ACT

RELATING TO HAWAII 3RS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The backlog of school repair and maintenance
2 continues to be an issue of great concern for the schools and
3 the legislature. In a continuing effort to mitigate this
4 concern, the Hawaii 3Rs program has completed repair and
5 maintenance projects through innovative programs, which were
6 intended to help schools by organizing efforts and community
7 support. This support is largely based on volunteer efforts by
8 individuals and community members to give back to the schools
9 through volunteerism, donations, and reduced-rate services.
10 When the work requires specialized skills beyond the efforts of
11 available human resources, the schools may hire contractors,
12 consultants, and their employees to complete a portion of the
13 work.

14 In the spirit of helping the schools, it is the intent of
15 this Act to provide an exception to the prevailing wage law for
16 specialized work for the Hawaii 3Rs program, which would enable
17 contractors or consultants to provide free or reduced rate
18 services.



1 SECTION 2. Section 104-2, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) This chapter shall apply to every contract in excess
4 of \$2,000 for construction of a public work project to which a
5 governmental contracting agency is a party; provided that this
6 chapter shall not apply to ~~[experimental]~~:

7 (1) Experimental and demonstration housing developed
8 pursuant to section 46-15 or housing developed
9 pursuant to chapter 201G if the cost of the project is
10 less than \$500,000 and the eligible bidder or eligible
11 developer is a private nonprofit corporation~~[-]~~; and

12 (2) Department of education projects funded under the
13 Hawaii 3R's school repair and maintenance fund in
14 section 302A-1502.4; provided that all contractors,
15 consultants, and any of their employees who would
16 otherwise be subject to this chapter that are hired
17 for such projects shall provide their services at no
18 cost or reduced rates.

19 For the purposes of this subsection:

20 "Contract" includes but is not limited to any agreement,
21 purchase order, or voucher in excess of \$2,000 for construction
22 of a public work project.



1 "Governmental contracting agency" includes any person or
2 entity that causes either directly or indirectly the building or
3 development of a public work.

4 "Party" includes eligible bidders for and eligible
5 developers of any public work and any housing under chapter
6 201G; provided that this subsection shall not apply to any
7 housing developed under section 46-15 or chapter 201G if the
8 entire cost of the project is less than \$500,000 and the
9 eligible bidder or eligible developer is a private nonprofit
10 corporation.

11 "Public work" means any project, including development of
12 any housing pursuant to section 46-15 or chapter 201G, and
13 development, construction, renovation, and maintenance related
14 to refurbishment of any real or personal property, where the
15 funds or resources required to undertake the project are to any
16 extent derived either directly or indirectly from public
17 revenues of the State or any county, or from the sale of
18 securities or bonds whose interest or dividends are exempt from
19 state or federal taxes."

20 SECTION 3. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



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

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Report Title:

Prevailing Wage; Education; Hawaii 3R's Program

Description:

Exempts contractors, consultants, and their employees hired on a project funded by the Hawaii 3R's Program from the state prevailing wage law, if the work provided is at no cost or at a reduced rate.

