

A BILL FOR AN ACT

RELATING TO CONTRACTS.

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


1 SECTION 1. Section 103-10.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (f) to read as follows:

3 "(f) This section shall not be construed to impair the  
4 right of a contractor or a subcontractor at any tier to  
5 negotiate and to include in their respective subcontracts  
6 provisions that provide for additional terms and conditions that  
7 ~~[are requested to]~~ must be met before the subcontractor ~~[shall~~  
8 ~~be]~~ is entitled to receive final payment under subsection (c) of  
9 this section; provided that any such payments withheld shall be  
10 withheld by the procurement officer."

11 SECTION 2. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect on July 1, 2007.

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*Abraham S.* INTRODUCED BY: *John M. Kamehaha*  
*Tom Brown* *[Signature]*  
*[Signature]* *[Signature]* *[Signature]* *[Signature]*  
*[Signature]* *[Signature]* *[Signature]* *[Signature]*  
HB HMS 2006-4105  
  
*[Signature]* *[Signature]* *[Signature]* *[Signature]*  
JAN 08 2007

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**Report Title:**

Contracts; Prompt Payment

**Description:**

Authorizes contractors and subcontractors to include in their subcontracts additional provisions that must be met before the subcontractor is entitled to receive final payment for completion of work on a government project.

