

1 (b) The director shall adopt rules under chapter 91 to
2 implement this section.

3 **§104-D Violations; penalties.** (a) Where the department
4 finds that a violation of section 104-B, 104-C, or both has been
5 committed, the department, after proper notice and opportunity
6 for hearing, shall order the governmental contracting agency, as
7 defined in section 104-2, to:

8 (1) Suspend all work being conducted by the party or
9 contractor on the public work where the violation has
10 occurred;

11 (2) Withhold any further payments to the party or
12 contractor found to have committed the violation; and

13 (3) Assess a weekly penalty equivalent to one-tenth of one
14 per cent of the contract, or \$1,000, whichever is
15 greater,

16 until compliance with section 104-B, 104-C, or both is obtained.

17 (b) Where the department finds that compliance with
18 section 104-A or 104-B is not obtained within days after
19 notification, the department shall order the governmental
20 contracting agency to permanently remove the party or contractor
21 from any further work on the public work. The department, after
22 proper notice and opportunity for hearing, shall order the party



1 or contractor in violation to be suspended from performing any
2 new work on any public work of a governmental contracting agency
3 for a period of six months.

4 (c) Where the department finds that a second violation of
5 section 104-B, 104-C, or both has been committed, whether on the
6 same contract or another, within two years of the first
7 notification of violation, the department, after proper notice
8 and opportunity for hearing, shall order the party or contractor
9 in violation to be suspended from performing any new work on any
10 public work of a governmental contracting agency for a period of
11 three years.

12 (d) Where the department finds that a third violation of
13 section 104-B, 104-C, or both has been committed, whether on the
14 same contract or another, within two years of the second
15 notification of violation, the department, after proper notice
16 and opportunity for hearing, shall order the party or contractor
17 in violation to be suspended permanently from performing any new
18 work on any public work of a governmental contracting agency.

19 SECTION 2. Chapter 104, Hawaii Revised Statutes, is
20 amended as follows:



1 1. By amending its title to read:

2 "CHAPTER 104

3 [~~WAGES AND HOURS OF EMPLOYEES ON~~] PUBLIC WORKS"

4 2. By amending the title of part I to read:

5 "PART I. WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS -
6 GENERAL PROVISIONS"

7 3. By amending the title of part II to read:

8 "PART II. WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS -
9 ADMINISTRATION AND ENFORCEMENT"

10 SECTION 3. In codifying the new sections added by section
11 1 of this Act, the revisor of statutes shall substitute
12 appropriate section numbers for the letters used in designating
13 the new sections in this Act.

14 SECTION 4. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect on January 1, 2010.

17

INTRODUCED BY: Calvin K. Y. Song

JAN 23 2009



Report Title:

Employees; Contractors

Description:

Establishes requirements for contractors who bid on state construction projects. Establishes penalties for non-compliance with such requirements.

