
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. A well-trained, construction-trades work force
2 is critical to state and county public works projects. The
3 safe, efficient, and economical construction of public works
4 will be threatened if there is a lack of well-trained
5 construction workers. By providing for the use of apprentices
6 on public works projects, state and county government can create
7 opportunities, in partnership with private industries, for
8 training that will help ensure a well-trained work force for
9 future public works construction.

10 The purpose of this Act is to give preference to all
11 offerors for construction contracts subject to chapter 103D,
12 Hawaii Revised Statutes, that maintain or participate in a bona
13 fide, state-approved apprenticeship program at the time of
14 general bidding.

15 SECTION 2. Chapter 103D, part X, Hawaii Revised Statutes,
16 is amended by adding a new section to be appropriately
17 designated and to read as follows:



1 "§103D- Construction contracts; registered
2 apprenticeship agreement preference. (a) At the time of
3 general bidding, an offeror for a construction contract with a
4 total estimated contract value of \$250,000 or more that
5 maintains a registered apprenticeship agreement pursuant to
6 chapter 372 and abides by the applicable apprentice-to-journey
7 worker ratio specified in the apprenticeship agreement pursuant
8 to section 372-3 shall be given a five per cent preference for
9 the contract.

10 (b) In determining whether the offeror maintains a
11 registered apprenticeship agreement, the procurement officer
12 shall consider:

13 (1) The offeror's length of previous participation in the
14 registered apprenticeship agreement; and

15 (2) The creditable number of apprentices enrolled in and
16 the annual number of graduates of the apprenticeship
17 program established by the agreement.

18 (c) At the time of general bidding, offerors shall furnish
19 written proof of their maintenance of a registered
20 apprenticeship agreement, and certify in writing on a monthly
21 basis, their maintenance of the registered apprenticeship
22 agreement for the entire duration of their work on the project.



1 The requirements in this subsection shall be incorporated into
2 each contract.

3 (d) Any contractor who fails to comply with subsection (c)
4 after being awarded a preference and commencing work on the
5 project shall be subject to one or more of the following
6 sanctions:

7 (1) Cessation of work on the project;

8 (2) Withholding of payment due under the applicable
9 contract;

10 (3) Permanent removal from further work on the project;

11 (4) Liquidated damages to the contracting agency; or

12 (5) Suspension from further offerings or awards under
13 sections 103D-302 and 103D-303.

14 (e) For the purposes of selecting the lowest bid
15 submitted, the amount bid by any offeror that does not meet the
16 requirements of this section shall be increased by five per
17 cent; provided that the contract amount awarded shall be the
18 amount of the price offered exclusive of the preference.

19 (f) All offerors, upon award of a contract, shall comply
20 with all laws governing entities doing business in the state,
21 including chapters 237, 383, 386, 392, and 393. Offerors shall
22 produce documents to the procuring officer to demonstrate



1 compliance with this subsection. Any offeror making a false
2 affirmation or certification under this subsection shall be
3 suspended from further offerings or awards pursuant to section
4 103D-702. The procuring officer shall verify compliance with
5 this subsection for all contracts awarded pursuant to sections
6 103D-302, 103D-303, 103D-304, and 103D-306; provided that the
7 attorney general may waive the requirements of this subsection
8 for contracts for legal services if the attorney general
9 certifies in writing that comparable legal services are not
10 available in this state.

11 (g) Information furnished by an offeror pursuant to this
12 section shall not be disclosed to any person except to law
13 enforcement agencies as provided by chapter 92F."

14 SECTION 3. New statutory material is underscored.

15 SECTION 4. This Act shall take effect on July 1, 2020.



Report Title:

Apprenticeship; Procurement; Construction Contracts

Description:

Provides a five percent preference to offerors for construction contracts subject to the state public procurement code, that maintain a registered apprenticeship agreement at the time of general bidding for a period of not less than 6 months on contracts of \$250,000 or more. Provides a five percent penalty on bid amounts for non-maintenance of an apprenticeship agreement. Requires compliance with various business laws. Provides for suspensions and exceptions. Effective 07/01/2020.
(HB1289 HD2)

