

JAN 20 2010

S.B. NO. 2061

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# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103-55.6, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending its title and subsection (a) to read:

4 " ~~[+]~~ §103-55.6 ~~[+]~~ **Public works construction; apprenticeship**  
5 **agreement.** (a) A governmental body, as defined in section  
6 103D-104, that enters into a public works contract under this  
7 chapter having an estimated value of not less than \$250,000,  
8 shall decrease the bid amount of a bidder by five per cent if  
9 the bidder, or a subcontractor employed by the bidder, is a  
10 party to an apprenticeship agreement registered with the  
11 department of labor and industrial relations for each  
12 apprenticeable trade the bidder or subcontractor will employ to  
13 construct the public works, and in conformance with chapter 372.  
14 The lowest total bid, taking the preference into consideration,  
15 shall be awarded the contract unless the solicitation provides  
16 for additional award criteria. The contract amount awarded,



1 however, shall be the amount of the price offered, exclusive of  
2 the preference."

3 2. By amending subsections (c) and (d) to read:

4 "(c) At the time of submission of a competitive sealed bid  
5 or a competitive sealed proposal by a bidder, the bidder shall  
6 furnish written proof [~~of being~~] that the bidder or a  
7 subcontractor employed by the bidder, if applicable, is a party  
8 to a registered apprenticeship agreement for each apprenticeable  
9 trade the bidder or the subcontractor will employ to construct  
10 the public works and, if awarded the contract, shall continue to  
11 certify monthly in writing that the bidder or subcontractor, if  
12 applicable, is a party to a registered apprenticeship agreement  
13 for each apprenticeable trade the bidder or subcontractor will  
14 employ to construct the public works for the entire duration of  
15 the bidder's work on the project. This subsection shall be  
16 deemed to be incorporated into a public works contract. A  
17 bidder who is awarded a contract shall be subject to the  
18 following sanctions if, after commencement of work, the bidder  
19 or a subcontractor employed by the bidder at any time during the  
20 construction is no longer a party to a registered apprenticeship  
21 agreement for each apprenticeable trade the bidder or the  
22 subcontractor will employ to construct the public works:



1           (1) Temporary or permanent cessation of work on the  
2           project, without recourse to breach of contract claims  
3           by the bidder; provided that the governmental body  
4           shall be entitled to restitution for nonperformance or  
5           liquidated damages, as appropriate; or

6           (2) Proceedings to debar or suspend under section  
7           103D-702.

8           (d) For purposes of this section [~~,"bidder"~~]:

9           "Bidder" means an entity that submits a competitive sealed  
10          bid under section 103D-302 or submits a competitive sealed  
11          proposal under section 103D-303.

12          "Subcontractor" means any entity, organization, or  
13          individual that enters into, or intends to enter into, a  
14          contract or agreement with a bidder to provide construction  
15          services on a public works project."

16          SECTION 2. Statutory material to be repealed is bracketed  
17          and stricken. New statutory material is underscored.

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

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INTRODUCED BY: *[Signature]*  
*[Signature]*  
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**Report Title:**

Procurement; Apprenticeable Trade, Subcontractor

**Description:**

Permits bidders and their subcontractors who are registered under an apprenticeship agreement with DLIR to benefit from a 5% reduction in their bid amount on contracts for \$250,000 or more.

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