

GOV. MSG. NO. 1296

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

July 6, 2011

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

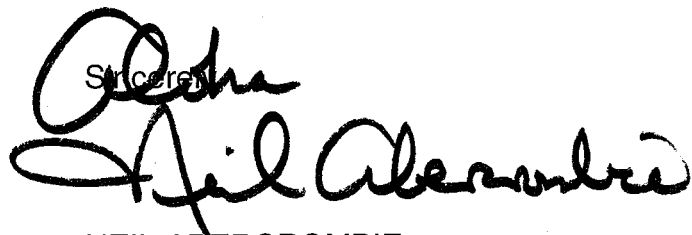
The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 6, 2011, the following bill was signed into law:

SB1221 SD2 HD1 CD1

RELATING TO PROCUREMENT
Act 192 (11)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103B-3, Hawaii Revised Statutes, is
2 amended as follows:

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

4 "(a) A contractor awarded any contract shall ensure that
5 Hawaii residents compose not less than eighty per cent of the
6 workforce employed to perform the contract on a particular
7 construction project, as determined under subsection (b). Prior
8 to an award of a contract, the contractor may withdraw a bid
9 without penalty if the contractor finds that it is unable to
10 comply with this subsection."

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

12 "(c) [~~Every contractor shall comply with this chapter for~~
13 ~~the entire duration of the contract.~~] Certification of
14 compliance with this chapter shall be made under oath by an
15 officer of the general contractor and applicable subcontractor
16 to the procurement officer [en a monthly basis.] with the notice
17 of completion of the contract.



1 (d) A general contractor or subcontractor who fails to
2 comply with this chapter shall be subject to ~~[any of the~~
3 ~~following]~~ sanctions[+] as follows:

4 ~~[(1) Temporary suspension of work on the project until the~~
5 ~~contractor or subcontractor complies with this~~
6 ~~chapter;~~

7 ~~-(2) Withholding]~~ (1) With respect to the general
8 contractor, withholding of final payment on the
9 contract ~~[or subcontract, as applicable,]~~ until the
10 contractor ~~[or subcontractor]~~ complies with ~~[this~~
11 ~~chapter;~~

12 ~~-(3) Permanent disqualification of the contractor or~~
13 ~~subcontractor from any further work on the project;~~

14 ~~-(4) Recovery by the State or county, as applicable, of any~~
15 ~~moneys expended on the contract or subcontract, as~~
16 ~~applicable;]~~ subsection (a); or

17 ~~[-(5) Proceedings]~~ (2) With respect to the general
18 contractor and subcontractor, proceedings for
19 debarment or suspension of the contractor or
20 subcontractor under section 103D-702 [-];



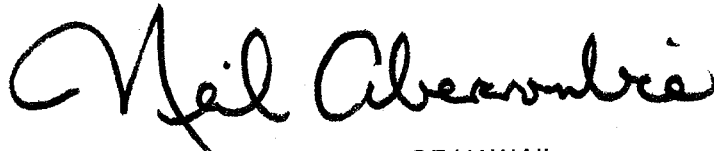
1 provided that a general contractor shall not be sanctioned for
2 noncompliance with this section by a subcontractor of that
3 general contractor on the same contract."

4 SECTION 2. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun before its effective date.

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect on July 1, 2011.

APPROVED this 6 day of JUL, 2011



GOVERNOR OF THE STATE OF HAWAII