
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 if
9 the contractor finds that it is unable to comply with this
10 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 [~~on 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]~~ (2) With respect to the general contractor
15 and subcontractor, recovery by the State or county, as
16 applicable, of any moneys expended on the contract or
17 subcontract, as applicable; ~~[or~~

18 ~~+(5) Proceedings]~~ (3) With respect to the general
19 contractor and subcontractor, proceedings for
20 debarment or suspension of the contractor or
21 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 Statutory material to be repealed is bracketed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, 2050.



Report Title:

Construction Procurement Contracts; State Residents Employment

Description:

Requires the general contractor and applicable subcontractor for construction procurement under the Hawaii public procurement code to file certification of compliance with Chapter 103B, Hawaii Revised Statutes (HRS), with the notice of final completion of the contract. Specifies certain sanctions for general contractors and subcontractors who fail to comply with Chapter 103B, HRS. Effective July 1, 2050. (SB1221 HD1)

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