

JAN 18 2013

A BILL FOR AN ACT

RELATING TO PUBLIC WORKS CONSTRUCTION.

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

1 SECTION 1. Section 103-55.5, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Before any bidder or offeror enters into a contract
4 for construction of a public work project in excess of \$2,000,
5 which is subject to chapter 104, the bidder or offeror shall
6 affirm the bidder's or offeror's intent to comply with the
7 requirements of chapter 104 by certifying that:

8 (1) Individuals engaged in the performance of the contract
9 on the job site shall be paid:

10 (A) Not less than the wages that the director of
11 labor and industrial relations shall have
12 determined to be prevailing for corresponding
13 classes of laborers and mechanics employed on
14 public works projects; provided that nothing in
15 this subparagraph shall be construed to require
16 that the individuals shall be represented by an
17 exclusive representative under a collective
18 bargaining agreement; and



1 (B) Overtime compensation at one and one-half times
2 the basic hourly rate plus fringe benefits for
3 hours worked on Saturday, Sunday, or a legal
4 holiday of the State or in excess of eight hours
5 on any other day; and

6 (2) All applicable laws of the federal and state
7 governments relating to workers' compensation,
8 unemployment compensation, payment of wages, and
9 safety shall be fully complied with."

10 SECTION 2. Section 104-2, Hawaii Revised Statutes, is
11 amended as follows:

12 1. By amending subsection (b) to read:

13 "(b) Every laborer and mechanic performing work on the job
14 site for the construction of any public work project shall be
15 paid no less than prevailing wages; provided that:

16 (1) The prevailing wages shall be established by the
17 director as the sum of the basic hourly rate and the
18 cost to an employer of providing a laborer or mechanic
19 with fringe benefits. In making prevailing wage
20 determinations, the following shall apply:

21 (A) The director shall make separate findings of:

22 (i) The basic hourly rate; and



1 (ii) The rate of contribution or cost of fringe
2 benefits paid by the employer when the
3 payment of the fringe benefits by the
4 employer constitutes a prevailing practice.
5 The cost of fringe benefits shall be
6 reflected in the wage rate scheduled as an
7 hourly rate; and

8 (B) The rates of wages which the director shall
9 regard as prevailing in each corresponding
10 classification of laborers and mechanics shall be
11 the rate of wages paid to the greatest number of
12 those employed in the State, the modal rate, in
13 the corresponding classes of laborers or
14 mechanics on projects that are similar to the
15 contract work;

16 (2) The prevailing wages shall be not less than the wages
17 payable under federal law to corresponding classes of
18 laborers and mechanics employed on public works
19 projects in the State that are prosecuted under
20 contract or agreement with the government of the
21 United States; [~~and~~]



1 (3) Notwithstanding the provisions of the original
2 contract, the prevailing wages shall be periodically
3 adjusted during the performance of the contract in an
4 amount equal to the change in the prevailing wage as
5 periodically determined by the director[-]; and

6 (4) Nothing in this subsection shall be construed to
7 require a laborer or mechanic to be represented by an
8 exclusive representative of a collective bargaining
9 unit."

10 2. By amending subsection (h) to read:

11 "(h) When:

12 (1) The department of budget and finance enters a project
13 agreement with a project party, as those terms are
14 defined in chapter 39A, to finance or refinance a
15 project with the proceeds of special purpose revenue
16 bonds;

17 (2) The project party has entered into a collective
18 bargaining agreement with a bona fide labor union
19 governing the project party's workforce; and

20 (3) The collective bargaining agreement has been properly
21 submitted to the director under section 104-34,



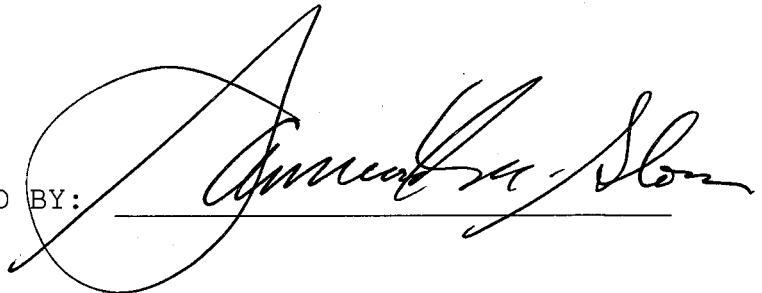
1 the terms of the collective bargaining agreement and associated
2 provisions shall be deemed the prevailing wages and terms
3 serving as the basis of compliance with this chapter for work on
4 the project by the project party's workforce; provided that this
5 subsection does not affect the director's enforcement powers
6 contained in subsection (g) [~~-~~] and shall not be construed to
7 require the project party to enter into a collective bargaining
8 agreement."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval;
12 but shall not apply to any public works construction contracts
13 or public work project contracts entered into before the
14 effective date of this Act.

15

INTRODUCED BY:



A handwritten signature in black ink, appearing to read "Amador S. Stone", is written over a horizontal line. The signature is fluid and cursive.



S.B. NO. 800

Report Title:

Public Works Construction; Prevailing Wages; Collective Bargaining Unit

Description:

Prohibits prevailing wage requirement for public works construction contracts or public work project contracts to be construed to require the retention of individuals, laborers, or mechanics who are represented by an exclusive representative of a collective bargaining unit.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

