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# A BILL FOR AN ACT

RELATING TO ENFORCEMENT OF WAGE LAWS.

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

1           SECTION 1. Section 104-24, Hawaii Revised Statutes, is  
2 amended by amending subsections (a) through (c) to read as  
3 follows:  
4           "(a) Where the department finds that a first violation of  
5 this chapter has been committed, the department shall assess a  
6 penalty equal to ten per cent of the amount of back wages found  
7 due or [~~\$25~~] \$1,000 per offense, whichever is greater.  
8           (b) Where the department finds that a second violation of  
9 this chapter has been committed, whether on the same contract or  
10 another, within two years of the first notification of  
11 violation, the department, after proper notice and opportunity  
12 for hearing, shall order the person or firm in violation to pay  
13 a penalty equal to fifty per cent of the amount of back wages  
14 found due [~~or \$100~~] and \$5,000 for each offense [~~, whichever is~~  
15 ~~greater~~].  
16           (c) Where the department finds that a third violation of  
17 this chapter has been committed, whether on the same contract or



1 another, within [~~two~~] three years of the second notification of  
2 violation, the department, after proper notice and opportunity  
3 for hearing, shall order the person or firm in violation:

4 (1) To pay a penalty equal to [~~two times~~] the full amount  
5 of back wages found due [~~or \$200~~] and \$10,000 for each  
6 offense [~~, whichever is greater~~]; and

7 (2) To be suspended from doing any new work on any public  
8 work of a governmental contracting agency for a period  
9 of three years except as provided in section 104-  
10 25(a)(2). "New work on any public work" includes any  
11 public works project in which the suspended person or  
12 firm has not begun work at the job site as of the date  
13 of the suspension order. The suspension shall be  
14 effective on the later of the twenty-first day after  
15 the notification of violation has been sent, or upon  
16 the issuance of a decision pursuant to section  
17 104-23(c)."

18 SECTION 2. This Act does not affect rights and duties that  
19 matured, penalties that were incurred, and proceedings that were  
20 begun before its effective date.

1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect on July 1, 2016.



**Report Title:**

Wages and Hours Enforcement; Penalties; Public Works; Government Contracts

**Description:**

Requires government contractors who violate wages and hours laws to pay a penalty that is equal to 10% of the amount of back wages due or \$1,000 per offense, whichever is greater, for the first offense; a penalty equal to the amount of 50% back wages found due and \$5,000 for each offense, for the second offense; and a penalty equal to the amount of back wages found due and \$10,000 for each offense, for the third offense within three years of the second notification of violation. (SB2723 HD1)

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

