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# A BILL FOR AN ACT

RELATING TO WASTE MANAGEMENT.

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

1           SECTION 1. Chapter 342H, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§342H- Waste disposal contracts. Beginning July 1,  
5 2015, all contracts between private entities that include the  
6 disposal of liquid or solid waste that require disposal in a  
7 permitted waste facility, shall include a provision that payment  
8 pursuant to the contract will only be made upon receipt of a  
9 statement for services performed that includes proof from a  
10 permitted waste facility showing that the waste was properly  
11 received and lawfully disposed of in an appropriate, permitted  
12 waste facility."

13           SECTION 2. Section 103-10, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "§103-10 Payment for goods and services. (a) Any person  
16 who renders a proper statement for goods delivered or services  
17 performed, pursuant to contract, to any agency of the State or  
18 any county, shall be paid no later than thirty calendar days



1 following receipt of the statement or satisfactory delivery of  
2 the goods or performance of the services. In the event  
3 circumstances prevent the paying agency from complying with this  
4 section, the person shall be entitled to interest from the  
5 paying agency on the principal amount remaining unpaid at a rate  
6 equal to the prime rate for each calendar quarter plus two per  
7 cent, commencing on the thirtieth day following receipt of the  
8 statement or satisfactory delivery of the goods or performance  
9 of the services, whichever is later, and ending on the date of  
10 the check. As used in this subsection, "prime rate" means the  
11 prime rate as posted in the Wall Street Journal on the first  
12 business day of the month preceding the calendar quarter.

13 (b) This section shall not apply in those cases where  
14 delay in payment is due to:

- 15 (1) A bona fide dispute between the State or any county  
16 and the contractor concerning the services or goods  
17 contracted for;
- 18 (2) A labor dispute;
- 19 (3) A power or mechanical failure;
- 20 (4) Fire;
- 21 (5) Acts of God; or



1           (6) Any similar circumstances beyond the control of the  
2                   State or any county.

3 Where the time of payment is contingent upon the receipt of  
4 federal funds, or federal approval, the solicitation of bids for  
5 contracts shall clearly state that payment is contingent upon  
6 those conditions. If the solicitation for bids contains the  
7 warning and a contract is awarded in response to the  
8 solicitation then interest shall not begin to accrue upon any  
9 unpaid voucher until the thirtieth day following receipt by the  
10 State or county of the contractor's statement or the thirtieth  
11 day following receipt of the federal funds or approval,  
12 whichever occurs later, and shall end as of the date of the  
13 check.

14           (c) All goods or services purchased by a state agency  
15 which are less than \$25, except those purchased through the use  
16 of a state procurement card, shall be paid from the petty cash  
17 funds of the agency; provided that the comptroller may establish  
18 a higher threshold for petty cash payments and may grant  
19 exceptions to this requirement.

20           (d) Any other law to the contrary notwithstanding, the  
21 payments for goods and services obtained through use of any



1 state or county procurement card shall be made under the terms  
2 and conditions specified in the contract under which the  
3 procurement card was established.

4 (e) Beginning July 1, 2015, in the case of a contract with  
5 any agency of the State or any county that includes the disposal  
6 of liquid or solid waste that require disposal in a permitted  
7 waste facility, including but not limited to construction waste,  
8 in order for payment to be made pursuant to subsection (a), the  
9 statement for services performed shall include a receipt from a  
10 permitted waste facility showing that the waste was properly  
11 received and lawfully disposed of in an appropriate, permitted  
12 waste facility. The state or county agency shall not make any  
13 full or partial payment to the contractor until the contractor  
14 provides the receipt to the agency."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect on July 1, 2015.

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**Report Title:**

Disposal of Liquid or Solid Waste; Contracts; Payments

**Description:**

Beginning July 1, 2015, requires that all state and county agency contracts and private entity contracts that include disposal of liquid or solid waste that require disposal in a permitted waste facility to provide a receipt that the waste was received and disposed of at a permitted waste facility before payment is made for those contractual services. (SD1)

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

