
HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO
STUDY THE FEASIBILITY OF LIMITING THE COSTS OF PROJECT AND
CONSTRUCTION MANAGEMENT IN EACH STATE CONSTRUCTION PROJECT
TO TEN PERCENT OF THE TOTAL COST OF THE PROJECT.

1 WHEREAS, the State expends more than one billion dollars
2 per year on capital improvement projects, including construction
3 or renovation of roads, buildings, harbors, and airports; and
4

5 WHEREAS, Honolulu has some of the highest construction
6 costs in the world due, in part, to the high cost of
7 transporting goods to Hawaii, the cost of fuel, and high labor
8 costs; and
9

10 WHEREAS, the costs for project and construction management,
11 which traditionally should account for seven to eleven percent
12 of a project, have increased significantly over the last decade,
13 with some contractors charging as much as fifteen percent of a
14 project's cost for management expenses; and
15

16 WHEREAS, being able to control rising construction costs
17 would help to more efficiently use state funds; now, therefore,
18

19 BE IT RESOLVED by the House of Representatives of the
20 Thirtieth Legislature of the State of Hawaii, Regular Session of
21 2019, the Senate concurring, that the Department of Accounting
22 and General Services is requested to study the feasibility of
23 limiting the costs of project and construction management costs
24 in each state construction project to ten percent of the total
25 cost of the project; and
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27 BE IT FURTHER RESOLVED that the Department of Accounting
28 and General Services is requested to submit a report of its
29 findings and recommendations, including any proposed



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1 legislation, to the Legislature no later than twenty days prior
2 to the convening of the Regular Session of 2020; and

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4 BE IT FURTHER RESOLVED that a certified copy of this
5 Concurrent Resolution be transmitted to the Comptroller.

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OFFERED BY:



A handwritten signature in black ink, appearing to be 'R. De...', is written over a horizontal line.

MAR 08 2019

