
HOUSE 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, that the Department of Accounting and General Services is
22 requested to study the feasibility of limiting the costs of
23 project and construction management costs in each state
24 construction project to ten percent of the total cost of the
25 project; and
26

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



H.R. NO. 102

1
2
3
4
5
6

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

OFFERED BY:

A handwritten signature in black ink, appearing to be "R. De" or similar, written over a horizontal line.

MAR 08 2019

