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# A BILL FOR AN ACT

RELATING TO PUBLIC WORKS.

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

1       SECTION 1. Section 104-24, Hawaii Revised Statutes, is  
2 amended as follows:

3       1. By amending subsections (b) and (c) to read:

4       "(b) Where the department finds that a second violation of  
5 this chapter has been committed, whether on the same or another  
6 contract, within two years of the first notification of  
7 violation, the department, after proper notice and opportunity  
8 for hearing, shall order the person ~~[or]~~ and firm in violation  
9 to pay a penalty equal to the amount of back wages found due or  
10 \$500 for each offense, up to \$5,000, whichever is greater.

11       (c) Where the department finds that a third violation of  
12 this chapter has been committed, whether on the same or another  
13 contract, within three years of the second notification of  
14 violation, the department, after proper notice and opportunity  
15 for hearing, shall order the person ~~[or]~~ and firm in  
16 violation~~[+]~~ to:



1 (1) ~~[To pay]~~ Pay a penalty equal to two times the amount  
2 of back wages found due or \$1,000 for each offense, up  
3 to \$10,000, whichever is greater; and

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

15 2. By amending subsection (e) to read:

16 "(e) ~~[For purposes of this section, "offense"]~~ As used in  
17 this section:

18 "Offense" means each section of this chapter under which  
19 the contractor is cited; provided that, with respect to  
20 prevailing wage and overtime citations under section 104-2, each



1 employee and each project shall be considered a separate  
2 offense.

3 "Person" includes a sole proprietor and the responsible  
4 managing employee and holder of the construction license as  
5 provided under chapter 444."

6 SECTION 2. Section 104-25, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 **"§104-25 Suspension.** (a) The director shall suspend a  
9 person [~~or~~] and firm as follows:

10 (1) For a first or second violation, if a person or firm  
11 fails to pay wages found due[~~r~~] or any penalty  
12 assessed, or both, the person [~~or~~] and firm shall be  
13 immediately suspended from doing any work on any  
14 public work of a governmental contracting agency until  
15 all wages and penalties are paid in full;

16 (2) For a third violation, the suspension shall be as  
17 prescribed in section 104-24(c); provided that, if the  
18 person or firm continues to violate this chapter or  
19 fails to pay wages found due or any penalty assessed,  
20 or both, then the person [~~or~~] and firm shall  
21 immediately be suspended from doing any work on any



1 public work of a governmental contracting agency for a  
2 mandatory three-year period. If after the three-year  
3 suspension period the wages found due or penalties  
4 assessed are still unpaid, the suspension shall remain  
5 in force until payment is made in full; or

6 (3) For falsification of records, or for delay or  
7 interference with an investigation pursuant to section  
8 104-22, the person [~~or~~] and firm shall be immediately  
9 suspended for a period of three years.

10 (b) The director shall immediately notify the governmental  
11 contracting agency, comptroller, the auditor or director of  
12 finance of the county, and in the case of a suspended  
13 subcontractor, the general contractor of any suspension order.

14 (c) No contract shall be awarded to the person [~~or~~] and  
15 firm so suspended or to any firm, corporation, partnership, or  
16 association in which the person or firm has an interest, direct  
17 or indirect, until three years have elapsed from the date of  
18 suspension, unless the period of suspension is reduced as herein  
19 provided. Any contract awarded in violation of this subsection  
20 shall be void.



1        (d) As used in this section, "person" shall have the same  
2 meaning as in section 104-24."

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

5        SECTION 4. This Act shall take effect on December 25,  
6 2040.



# H.B. NO. 2440 H.D. 2

**Report Title:**

Wages and Hours of Employees on Public Works; Penalties

**Description:**

Imposes penalty on both the person and firm upon finding of certain violations of state law governing wages and hours of employees on public works. Defines "person" for these purposes. Effective 12/25/2040. (HD2)

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

