

STAND. COM. REP. NO.

1002

Honolulu, Hawaii

FEB 28 2025

RE: S.B. No. 1057
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1057, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to support workforce development by encouraging contractors bidding on state projects to participate in state-registered apprenticeship programs.

Specifically, this measure clarifies that the bid incentive given to bidders for public works construction projects who are parties to an apprenticeship agreement is based on apprenticeable trades utilized, rather than employed, to construct the public works.

Your Committee received written comments in support of this measure from the State Procurement Office; Hawaii Building and Construction Trades Council; International Union of Painters and Allied Trades, District Council 50; Plumbers and Fitters Local 675; International Brotherhood of Electric Workers, Local Union 1260; Goodfellow Bros., LLC; and International Brotherhood of Electrical Workers, Local 1186.

Your Committee received written comments in opposition to this measure from the General Contractors Association of Hawaii.

SB1057 SD2 SSCR LRB 25-1310.docx



Your Committee received written comments on this measure from the Department of Accounting and General Services.

Your Committee finds that the current law establishing bid incentives for contractors participating in state-registered apprenticeship programs allows bid preferences only for general contractors whose own employees participate in the apprenticeship agreement. Contractors utilizing subcontractors are therefore disqualified, limiting both the pool of skilled trades contractors available and the training opportunities for the local workforce. Your Committee believes that the amendments in this measure to the bid incentive law will remedy this issue.

Your Committee has amended this measure by:

- (1) Clarifying that the bid preference applies to a bidder and the bidder's subcontractors who are parties to all apprenticeable trades utilized to construct the project and for which a state-approved apprenticeship program exists, and requiring written proof of this at the time of submission of a bid or proposal;
- (2) Requiring a bidder, upon award of a contract or at any time by request of the governmental body, to provide written certification, within five calendar days, that the bidder and the bidder's subcontractors are parties to registered apprenticeship agreements for the apprenticeable trades that the bidder and subcontractors will utilize to construct the public works, and will continue to be for the entire duration of their work on the project;
- (3) Authorizing a governmental body to find a contractor in default if the contractor or the contractor's subcontractor is no longer a party to a registered apprenticeship agreement as required at any time during the construction of the public works; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1057, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1057, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB1057 SD1</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">LBT / GVO, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-26-2025</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13	0	0	0
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;"> </div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.7em; margin-top: 2px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

*Only one measure per Record of Votes