
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. The legislature finds that a well-trained
2 workforce is essential for the State's economic growth and the
3 successful construction of public buildings, infrastructure, and
4 other development projects.

5 Accordingly, the purpose of this Act is to ensure a
6 consistent supply of skilled labor, support workforce
7 development, and enhance the outcomes of public works by
8 incentivizing contractors bidding on projects to participate in
9 state-registered apprenticeship programs.

10 SECTION 2. Section 103-55.6, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "~~§~~103-55.6~~§~~ **Public works construction; apprenticeship**
13 **agreement.** (a) A governmental body, as defined in section
14 103D-104, that enters into a public works contract under this
15 chapter having an estimated value of not less than \$250,000,
16 shall decrease the bid amount of a bidder by five per cent if
17 the bidder is a party to an apprenticeship agreement registered



1 with the department of labor and industrial relations for each
2 apprenticeable trade [~~the bidder will employ~~] utilized to
3 construct the public works, and in conformance with chapter 372.
4 The lowest total bid, taking the preference into consideration,
5 shall be awarded the contract unless the solicitation provides
6 for additional award criteria. The contract amount awarded,
7 however, shall be the amount of the price offered, exclusive of
8 the preference.

9 (b) For purposes of subsection (a), in determining whether
10 there is conformance with chapter 372, the procurement officer
11 shall consider the actual number of apprentices enrolled in and
12 the annual number of graduates of the apprenticeship program.

13 (c) At the time of submission of a competitive sealed bid
14 or a competitive sealed proposal by a bidder, the bidder shall
15 furnish written proof of being a party to a registered
16 apprenticeship agreement for each apprenticeable trade the
17 bidder will [~~employ~~] utilize to construct the public works and,
18 if awarded the contract, shall continue to certify monthly in
19 writing that the bidder is a party to a registered
20 apprenticeship agreement for each apprenticeable trade [~~the~~
21 ~~bidder will employ~~] utilized to construct the public works for



1 the entire duration of the bidder's work on the project. This
2 subsection shall be deemed to be incorporated into a public
3 works contract. A bidder who is awarded a contract shall be
4 subject to the following sanctions if, after commencement of
5 work, the bidder at any time during the construction is no
6 longer a party to a registered apprenticeship agreement for each
7 apprenticeable trade the bidder will [~~employ~~] utilize to
8 construct the public works:

9 (1) Temporary or permanent cessation of work on the
10 project, without recourse to breach of contract claims
11 by the bidder; provided that the governmental body
12 shall be entitled to restitution for nonperformance or
13 liquidated damages, as appropriate; or

14 (2) Proceedings to debar or suspend under section
15 103D-702.

16 (d) For purposes of this section, "bidder" means an entity
17 that submits a competitive sealed bid under section 103D-302 or
18 submits a competitive sealed proposal under section 103D-303."

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

21 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Procurement; Public Works Construction; Apprenticeship
Agreement; Apprenticeable Trade; Utilization

Description:

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. Effective 7/1/2050. (SD1)

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