
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Chapter 103, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§103- Public works construction; apprenticeship
5 agreement. (a) A governmental body, as defined in section
6 103D-104, that enters into a public works contract under this
7 chapter having of an estimated value of not less than \$250,000,
8 shall decrease the bid amount of a bidder by five per cent if
9 the bidder is a party to an apprenticeship agreement registered
10 with the department of labor and industrial relations and in
11 conformance with chapter 372. The lowest total bid, taking the
12 preference into consideration, shall be awarded the contract
13 unless the solicitation provides for additional award criteria.
14 The contract amount awarded, however, shall be the amount of the
15 price offered, exclusive of the preference.

16 (b) For purposes of subsection (a), in determining whether
17 there is conformance with chapter 372, the procurement officer

1 shall consider the actual number of apprentices enrolled in and
2 the annual number of graduates of the apprenticeship program.

3 (c) At the time of submission by a bidder of a competitive
4 sealed bid under section 103D-302 or by an offeror of a
5 competitive sealed proposal under section 103D-303, a bidder or
6 offeror, as applicable, shall furnish written proof of being a
7 party to a registered apprenticeship agreement and, if awarded
8 the contract, shall continue to certify monthly in writing that
9 the bidder is a party to a registered apprenticeship agreement
10 for the entire duration of the bidder's work on the project.
11 This subsection shall be deemed to be incorporated into a public
12 works contract. A bidder who is awarded a contract shall be
13 subject to the following sanctions if, after commencement of
14 work, the bidder at any time during the construction is no
15 longer a party to a registered apprenticeship agreement:

16 (1) Temporary or permanent cessation of work on the
17 project, without recourse to breach of contract claims
18 by the bidder; provided that the governmental body
19 shall be entitled to restitution for nonperformance or
20 liquidated damages, as appropriate; or

21 (2) Proceedings to debar or suspend under section
22 103D-702."

- 1 SECTION 2. New statutory material is underscored.
- 2 SECTION 3. This Act shall take effect upon its approval.

Report Title:

Apprenticeship; Procurement; Construction Contracts

Description:

Requires a procurement preference to a contractor in a public works construction contract of not less than \$250,000 if the contractor is a party to an apprenticeship agreement registered with the department of labor and industrial relations at the time of general bidding. Requires a public works contractor to comply with state labor laws. (SD1)