
A BILL FOR AN ACT

RELATING TO WASTE MANAGEMENT.

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

1 SECTION 1. The legislature finds that construction
2 projects funded by public moneys produce extensive construction
3 waste. State law prohibits the disposal of more than one cubic
4 yard of solid waste anywhere other than a permitted solid waste
5 management system, with certain exceptions. However, the
6 legislature has discovered that despite this prohibition,
7 construction waste is sometimes disposed of in an unauthorized
8 manner. For example, the *Honolulu Star-Advertiser* reported on
9 November 13, 2017, that the department of education and several
10 contractors were fined \$1,450,000 by the department of health
11 for violating solid waste laws during the renovation of Radford
12 high school's track field in 2016. The department of health
13 based its decision on the illegal removal, transportation, and
14 disposal of contaminated soil and concrete waste from the school
15 construction site to a private residence in Kaneohe, a
16 construction site in Kapolei, and an unpermitted concrete



1 recycling facility in Kailua. Approximately one hundred thirty
2 truckloads of hazardous soil and concrete were dumped.

3 The legislature further finds that hazardous waste material
4 from construction sites have reportedly been dumped onto land
5 that drains into Kawainui marsh. These kinds of dumps are
6 difficult to detect when they occur.

7 The purpose of this Act is to require the statement for
8 services performed in a public works contract to include a
9 receipt from a licensed waste management facility that verifies
10 that the waste was properly received and lawfully disposed of in
11 an appropriate, licensed waste facility before full payment is
12 made.

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

15 "**§103-10 Payment for goods and services.** (a) [~~Any~~]
16 Subject to the requirements of subsection (e), any person who
17 renders a proper statement for goods delivered or services
18 performed, pursuant to contract, to any agency of the State or
19 any county, shall be paid no later than thirty calendar days
20 following receipt of the statement or satisfactory delivery of
21 the goods or performance of the services. [~~In the event~~] If



1 circumstances prevent the paying agency from complying with this
2 section, the person shall be entitled to interest from the
3 paying agency on the principal amount remaining unpaid at a rate
4 equal to the prime rate for each calendar quarter plus two per
5 cent, commencing on the thirtieth day following receipt of the
6 statement or satisfactory delivery of the goods or performance
7 of the services, whichever is later, and ending on the date of
8 the check. As used in this subsection, "prime rate" means the
9 prime rate as posted in the Wall Street Journal on the first
10 business day of the month preceding the calendar quarter.

11 (b) This section shall not apply in those cases where
12 delay in payment is due to:

13 (1) A bona fide dispute between the State or any county
14 and the contractor concerning the services or goods
15 contracted for;

16 (2) A labor dispute;

17 (3) A power or mechanical failure;

18 (4) Fire;

19 (5) Acts of God; or

20 (6) Any similar circumstances beyond the control of the
21 State or any county.



1 Where the time of payment is contingent upon the receipt of
2 federal funds, or federal approval, the solicitation of bids for
3 contracts shall clearly state that payment is contingent upon
4 those conditions. If the solicitation for bids contains the
5 warning and a contract is awarded in response to the
6 solicitation, then interest shall not begin to accrue upon any
7 unpaid voucher until the thirtieth day following receipt by the
8 State or county of the contractor's statement or the thirtieth
9 day following receipt of the federal funds or approval,
10 whichever occurs later, and shall end as of the date of the
11 check.

12 (c) All goods or services purchased by a state agency
13 which are less than \$25, except those purchased through the use
14 of a state procurement card, shall be paid from the petty cash
15 funds of the agency; provided that the comptroller may establish
16 a higher threshold for petty cash payments and may grant
17 exceptions to this requirement.

18 (d) Any other law to the contrary notwithstanding, the
19 payments for goods and services obtained through use of any
20 state or county procurement card shall be made under the terms



1 and conditions specified in the contract under which the
2 procurement card was established.

3 (e) Beginning July 1, 2018, in any contract with an agency
4 of the State or a county that includes the disposal of liquid or
5 solid waste, including but not limited to construction waste,
6 full payment shall not be rendered unless the statement for
7 services submitted pursuant to subsection (a) includes a receipt
8 from a licensed waste management facility that verifies that the
9 waste was properly received and lawfully disposed of in an
10 appropriate, licensed waste facility. If required pursuant to a
11 contract or executed agreement, the state or county agency may
12 make partial payment to the contractor without a receipt showing
13 proper waste disposal from a licensed waste management facility
14 and before any dumping of waste. A person who knowingly submits
15 a receipt that is altered or falsified in any manner for the
16 purposes of this subsection shall be subject to section 708-
17 872."

18 SECTION 3. This Act does not affect rights and duties that
19 matured, penalties that were incurred, and proceedings that were
20 begun before its effective date.



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

3 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

Disposal of Liquid or Solid Waste; Contracts; Payments

Description:

Requires that all state and county agency contractors that dispose of liquid or solid waste to provide a receipt that the waste was received and disposed of at a licensed facility before full payment is made for those contractual services. Allows for partial payment to be made without a receipt and prior to any dumping of waste. Prohibits alteration or falsification of receipts. Effective 7/1/2050. (SD1)

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

