
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103-55.6, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (a) to read:

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

17 2. By amending subsection (c) to read:



1 "(c) At the time of submission of a competitive sealed bid
2 or a competitive sealed proposal by a bidder, the bidder shall
3 furnish written proof of being a party to a registered
4 apprenticeship agreement for each apprenticeable trade the
5 bidder will directly employ to construct the public works [~~and~~
6 ~~if~~]. Prior to the award, the procurement agency shall verify
7 that the apprenticeable trade in which the bidder qualified for
8 the preference is a trade needed to construct the public works
9 project for which the offer is being made. If apprenticeable
10 trade is not a trade needed to construct the public works
11 project for which the offer is being made which would qualify
12 the bidder for the preference, then the preference shall not be
13 applied. If awarded the contract, using the preference the
14 bidder shall continue to certify monthly in writing that the
15 bidder is a party to a registered apprenticeship agreement for
16 each apprenticeable trade the bidder will directly employ to
17 construct the public works for the entire duration of the
18 bidder's work on the project. This subsection shall be deemed
19 to be incorporated into a public works contract. A bidder who
20 is awarded a contract shall be subject to the following
21 sanctions if, after commencement of work, the bidder at any time



1 during the construction is no longer a party to a registered
2 apprenticeship agreement for each apprenticeable trade the
3 bidder will directly employ to construct the public works:

4 (1) Temporary or permanent cessation of work on the
5 project, without recourse to breach of contract claims
6 by the bidder; provided that the governmental body
7 shall be entitled to restitution for nonperformance or
8 liquidated damages, as appropriate; or

9 (2) Proceedings to debar or suspend under section 103D-
10 702."

11 SECTION 2. This Act does not affect rights and duties that
12 matured, penalties that were incurred, and proceedings that were
13 begun before its effective date.

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

16 SECTION 4. This Act shall take effect upon its approval.
17



Report Title:

Public Works; Apprenticeship Agreement

Description:

Clarifies requirements for public works projects for a bidder who is a party to an apprenticeship agreement. Requires that, the procurement agency shall verify that the apprenticeable trade in which the bidder qualified for the preference is a trade needed to construct the public works project for which the offer is being made prior to the award. (SD1)

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