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# A BILL FOR AN ACT

RELATING TO WAGES.

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

1           SECTION 1. Section 104-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) Every laborer and mechanic performing work on the job  
4 site for the construction of any public work project shall be  
5 paid no less than prevailing wages; provided that:

6           (1) The prevailing wages shall be established by the  
7 director as the sum of the basic hourly rate and the  
8 cost to an employer of providing a laborer or mechanic  
9 with fringe benefits. In making prevailing wage  
10 determinations, the following shall apply:

11           (A) The director shall make separate findings of:

12                   (i) The basic hourly rate; and

13                   (ii) The rate of contribution or cost of fringe  
14 benefits paid by the employer when the  
15 payment of the fringe benefits by the  
16 employer constitutes a prevailing practice.

17           The cost of fringe benefits shall be



1 reflected in the wage rate scheduled as an  
2 hourly rate; and

3 (B) The rates of wages which the director shall  
4 regard as prevailing in each corresponding  
5 classification of laborers and mechanics shall be  
6 the rate of wages paid to the greatest number of  
7 those employed in the State, the modal rate, in  
8 the corresponding classes of laborers or  
9 mechanics on projects that are similar to the  
10 contract work;

11 provided that the foreperson classification shall be  
12 recognized and follow the requirements stated in the  
13 collective bargaining agreement when the basic hourly  
14 rate is established by a collective bargaining  
15 agreement;

16 (2) Except for the project prevailing wages established by  
17 subsections (h) and (i), the prevailing wages shall be  
18 not less than the wages payable under federal law to  
19 corresponding classes of laborers and mechanics  
20 employed on public works projects in the State that



1 are prosecuted under contract or agreement with the  
2 government of the United States; and

3 (3) Notwithstanding the provisions of the original  
4 contract, the prevailing wages shall be periodically  
5 adjusted during the performance of the contract in an  
6 amount equal to the change in the prevailing wage as  
7 periodically determined by the director."

8 SECTION 2. This Act shall not be applied so as to impair  
9 any contract existing as of the effective date of this Act in a  
10 manner violative of either the Hawaii State Constitution or  
11 Article I, section 10, of the United States Constitution.

12 SECTION 3. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun before its effective date.

15 SECTION 4. If any part of this Act is found to be in  
16 conflict with federal requirements that are a prescribed  
17 condition for the allocation of federal funds to the State, the  
18 conflicting part of this Act is inoperative solely to the extent  
19 of the conflict and with respect to the agencies directly  
20 affected, and this finding does not affect the operation of the  
21 remainder of this Act in its application to the agencies



1 concerned. The rules under this Act shall meet federal  
2 requirements that are a necessary condition to the receipt of  
3 federal funds by the State.

4 SECTION 5. New statutory material is underscored.

5 SECTION 6. This Act shall take effect on January 1, 2050.



**Report Title:**

Public Works Contracts; Prevailing Wages; Collective Bargaining

**Description:**

Requires that the foreperson classification be recognized in wage and hour requirements contained in statute and in collective bargaining agreements for laborers and mechanics on public works projects. (HB34 HD1)

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

