
A BILL FOR AN ACT

RELATING TO WAGES.

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

1 SECTION 1. Section 104-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "public work" to read as
3 follows:

4 ""Public work" means any project, including development of
5 any housing pursuant to section 46-15 or chapter 201H and
6 development, construction, renovation, and maintenance related
7 to refurbishment of any real or personal property, where the
8 funds or resources required or used to undertake the project are
9 to any extent derived, either directly or indirectly, from
10 public revenues of the State or any county, or from the sale of
11 securities or bonds whose interest or dividends are exempt from
12 state or federal taxes."

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

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



1 (1) The prevailing wages shall be established by the
2 director as the sum of the basic hourly rate and the
3 cost to an employer of providing a laborer or mechanic
4 with fringe benefits. In making prevailing wage
5 determinations, the following shall apply:
6 (A) The director shall make separate findings of:
7 (i) The basic hourly rate; and
8 (ii) The rate of contribution or cost of fringe
9 benefits paid by the employer when the
10 payment of the fringe benefits by the
11 employer constitutes a prevailing practice.
12 The cost of fringe benefits shall be
13 reflected in the wage rate scheduled as an
14 hourly rate; and
15 (B) The rates of wages which the director shall
16 regard as prevailing in each corresponding
17 classification of laborers and mechanics shall be
18 the rate of wages paid to the greatest number of
19 those employed in the State, the modal rate, in
20 the corresponding classes of laborers or

1 mechanics on projects that are similar to the
2 contract work;

3 provided that the foreperson classification shall be
4 recognized as a separate wage classification for
5 public works projects and shall follow the
6 requirements stated in the collective bargaining
7 agreement when the basic hourly rate is established by
8 a collective bargaining agreement if:

9 (A) An organization with a collective bargaining
10 agreement chooses to have the foreperson
11 classification recognized as a separate wage
12 classification for public works projects within
13 its respective trade through the submission of
14 its individual bargaining agreement; and

15 (B) That organization specifically requests to have
16 the foreperson classification recognized as a
17 separate wage classification for public works
18 projects within its respective trade;

19 (2) Except for the project prevailing wages established by
20 subsections (h) and (i), the prevailing wages shall be
21 not less than the wages payable under federal law to



1 corresponding classes of laborers and mechanics
2 employed on public works projects in the State that
3 are prosecuted under contract or agreement with the
4 government of the United States; [~~and~~]

5 (3) Notwithstanding the provisions of the original
6 contract, the prevailing wages shall be periodically
7 adjusted during the performance of the contract in an
8 amount equal to the change in the prevailing wage as
9 periodically determined by the director[-]; and

10 (4) For the purposes of this subsection, "foreperson"
11 means a skilled person employed to supervise personnel
12 who work in the areas of construction."

13 SECTION 3. This Act shall not be applied so as to impair
14 any contract existing as of the effective date of this Act in a
15 manner violative of either the Hawaii State Constitution or
16 Article I, section 10, of the United States Constitution.

17 SECTION 4. This Act does not affect rights and duties that
18 matured, penalties that were incurred, and proceedings that were
19 begun before its effective date.

20 SECTION 5. If any part of this Act is found to be in
21 conflict with federal requirements that are a prescribed



1 condition for the allocation of federal funds to the State, the
2 conflicting part of this Act is inoperative solely to the extent
3 of the conflict and with respect to the agencies directly
4 affected, and this finding does not affect the operation of the
5 remainder of this Act in its application to the agencies
6 concerned. The rules under this Act shall meet federal
7 requirements that are a necessary condition to the receipt of
8 federal funds by the State.

9 SECTION 6. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 7. This Act shall take effect on January 1, 2050.



Report Title:

Public Works Contracts; Prevailing Wages; Collective Bargaining

Description:

Determines the procedures for when the foreperson classification shall be recognized in Hawaii's Davis-Bacon Act and when the basic hourly rate is established by a collective bargaining agreement. Takes effect 1/1/2050. (SD1)

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