

1 **SECTION 109 – MEASUREMENT AND PAYMENT**

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3 Make the following amendment to said Section:

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5 **(I) Amend Subsection 109.05 Allowances for Overhead and Profit** by
6 revising lines 101 to 110 to read as follows:

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8 **“(1) 20 percent of the direct cost for any work performed by the**
9 **Contractor’s own labor force.**

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11 **(2) 20 percent of the direct cost for any work performed by each**
12 **subcontractor’s own labor force.**

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14 **(3) For the Contractor or any subcontractor for work performed**
15 **by their respective subcontractor or tier subcontractor, 10 percent**
16 **of the amount due to the performing subcontractor or tier**
17 **subcontractor.”**

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19 **(II) Amend Subsection 109.08(B) Payment for Material On Hand** by
20 revising lines 421 to 423 to read as follows:

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22 **“(2) The materials shall be stored and handled in accordance**
23 **with Subsection 105.14 – Storage and Handling of Materials and**
24 **Equipment.”**

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26
27 **(III) Amend Subsection 109.11 Final Payment** by revising lines 568 to 580
28 to read as follows:

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30 **“(3) A current “Certificate of Vendor Compliance” issued by the**
31 **Hawaii Compliance Express (HCE). The Certificate of Vendor**
32 **Compliance is used to certify the Contractor’s compliance with**

33
34 **(a) Section 103D-328, HRS (for all contracts \$25,000 or**
35 **more) which requires a current tax clearance certificate**
36 **issued by the Hawaii State Department of Taxation and the**
37 **Internal Revenue Service;**

38
39 **(b) Chapters 383, 386, 392, and 393, HRS; and**

40
41 **(c) Subsection 103D-310(c), HRS. The State reserves**
42 **the right to verify that compliance is current prior to the**
43 **issuance of final payment. Contractors are advised that non-**
44 **compliance status will result in final payment being withheld**
45 **until compliance is attained.**

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47 Sums necessary to meet the claims of any governmental agencies
48 may be withheld from the sums due the Contractor until said

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claims have been fully and completely discharged or otherwise
satisfied.”

END OF SECTION 109