

JAN 24 2024

A BILL FOR AN ACT

RELATING TO DEPARTMENT OF EDUCATION PROCUREMENT.

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

1 SECTION 1. Career and technical education utilizes a wide
2 range of activities and equipment to provide students with
3 industry-based skills and makes academic content accessible to
4 students in a hands-on context. Examples of career and
5 technical education equipment include anatomy tables, flight
6 simulators, and welding simulators. These types of equipment
7 allow for student learning simulations that can be too expensive
8 or not pragmatic for students to perform in a regular classroom
9 setting. While students are encouraged to explore career
10 options and acquire the technical skills and knowledge to work
11 towards industry-recognized certifications and high-demand
12 careers, without access to these types of equipment, students
13 are severely limited in the degree to which they can acquire the
14 technical skills and knowledge and would instead have to wait to
15 gain those skills upon employment or in other secondary
16 licensure programs after high school.

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1 In the department of education's State of Hawai'i public
2 education 2023-2029 strategic plan, one of the stated goals is
3 that all students graduate high school prepared for college and
4 career success and community and civic engagement. One avenue
5 to achieve this goal is through expanding work-based learning
6 experiences that are often offered through career and technical
7 education. As educational teaching tools have become more
8 advanced, they are increasingly expensive to procure and can
9 involve long lead times for delivery.

10 Despite the advantages and opportunities that these pieces
11 of equipment can provide, the process to procure them can be
12 lengthy and complicated and can deter schools from purchasing
13 them. Schools are focused on providing learning opportunities
14 to students and the goal of this Act is to remove the
15 administrative barriers that can prevent these learning
16 opportunities from happening. Just as books and maps are
17 exempted from the Hawaii public procurement code as they are not
18 advantageous to the State to procure them by competitive means,
19 so, too, should these types of equipment be exempt as
20 procurement by competitive means is adversely affecting the
21 opportunities for students to acquire technical skills and
22 knowledge.

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1 The purpose of this Act is to exempt from the Hawaii public
2 procurement code educational equipment, materials, and related
3 training for direct student instruction in career and technical
4 education programs in the department of education.

5 SECTION 2. Section 103D-102, Hawaii Revised Statutes, is
6 amended by amending subsection (b) to read as follows:

7 "(b) Notwithstanding subsection (a), this chapter shall
8 not apply to contracts by governmental bodies:

9 (1) Solicited or entered into before July 1, 1994, unless
10 the parties agree to its application to a contract
11 solicited or entered into prior to July 1, 1994;

12 (2) To disburse funds, irrespective of their source:

13 (A) For grants as defined in section 42F-101, made by
14 the State in accordance with standards provided
15 by law as required by article VII, section 4, of
16 the state constitution; or by the counties
17 pursuant to their respective charters or
18 ordinances;

19 (B) To make payments to or on behalf of public
20 officers and employees for salaries, fringe
21 benefits, professional fees, or reimbursements;

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- 1 (C) To satisfy obligations that the State is required
2 to pay by law, including paying fees, permanent
3 settlements, subsidies, or other claims, making
4 refunds, and returning funds held by the State as
5 trustee, custodian, or bailee;
- 6 (D) For entitlement programs, including public
7 assistance, unemployment, and workers'
8 compensation programs, established by state or
9 federal law;
- 10 (E) For dues and fees of organizations of which the
11 State or its officers and employees are members,
12 including the National Association of Governors,
13 the National Association of State and County
14 Governments, and the Multi-State Tax Commission;
- 15 (F) For deposit, investment, or safekeeping,
16 including expenses related to their deposit,
17 investment, or safekeeping;
- 18 (G) To governmental bodies of the State;
- 19 (H) As loans, under loan programs administered by a
20 governmental body; and
- 21 (I) For contracts awarded in accordance with
22 chapter 103F;

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1 (3) To procure goods, services, or construction from a
2 governmental body other than the University of Hawaii
3 bookstores, from the federal government, or from
4 another state or its political subdivision;

5 (4) To procure the following goods or services which are
6 available from multiple sources but for which
7 procurement by competitive means is either not
8 practicable or not advantageous to the State:

9 (A) Services of expert witnesses for potential and
10 actual litigation of legal matters involving the
11 State, its agencies, and its officers and
12 employees, including administrative quasi-
13 judicial proceedings;

14 (B) Works of art for museum or public display;

15 (C) Research and reference materials including books,
16 maps, periodicals, and pamphlets, which are
17 published in print, video, audio, magnetic, or
18 electronic form;

19 (D) Meats and foodstuffs for the Kalaupapa
20 settlement;

21 (E) Opponents for athletic contests;

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- 1 (F) Utility services whose rates or prices are fixed
2 by regulatory processes or agencies;
- 3 (G) Performances, including entertainment, speeches,
4 and cultural and artistic presentations;
- 5 (H) Goods and services for commercial resale by the
6 State;
- 7 (I) Services of printers, rating agencies, support
8 facilities, fiscal and paying agents, and
9 registrars for the issuance and sale of the
10 State's or counties' bonds;
- 11 (J) Services of attorneys employed or retained to
12 advise, represent, or provide any other legal
13 service to the State or any of its agencies, on
14 matters arising under laws of another state or
15 foreign country, or in an action brought in
16 another state, federal, or foreign jurisdiction,
17 when substantially all legal services are
18 expected to be performed outside this State;
- 19 (K) Financing agreements under chapter 37D; [~~and~~]
- 20 (L) Educational equipment, materials, and related
21 training purchased by the department of education
22 for direct student instruction that are specific

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1 and unique to the career and technical education
2 pathway programs as defined in section 302A-101,
3 such as anatomy tables, flight simulators, and
4 welding simulators; and

5 ~~(L)~~ (M) Any other goods or services which the
6 policy board determines by rules or the chief
7 procurement officer determines in writing is
8 available from multiple sources but for which
9 procurement by competitive means is either not
10 practicable or not advantageous to the State; and

11 (5) Which are specific procurements expressly exempt from
12 any or all of the requirements of this chapter by:

13 (A) References in state or federal law to provisions
14 of this chapter or a section of this chapter, or
15 references to a particular requirement of this
16 chapter; and

17 (B) Trade agreements, including the Uruguay Round
18 General Agreement on Tariffs and Trade (GATT)
19 which require certain non-construction and non-
20 software development procurements by the
21 comptroller to be conducted in accordance with
22 its terms."

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1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval;
4 provided that on July 1, 2027, this Act shall be repealed and
5 section 103D-102, Hawaii Revised Statutes, shall be reenacted in
6 the form in which it read on the day prior to the effective date
7 of this Act.

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INTRODUCED BY:

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BY REQUEST

S.B. NO. 3086

Report Title:

Department of Education; Procurement; Exemptions; Career and Technical Education

Description:

Exempts career and technical education goods and services purchases by the Department of Education from the State Procurement Code. Repeals on 7/1/2027.

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

JUSTIFICATION SHEET

DEPARTMENT: Education

TITLE: A BILL FOR AN ACT RELATING TO DEPARTMENT OF EDUCATION PROCUREMENT.

PURPOSE: To exempt from chapter 103D, Hawaii Revised Statutes, educational materials and related training for direct student instruction in career and technical education programs in the Department of Education.

MEANS: Amend section 103D-102(b), Hawaii Revised Statutes. Repeal on July 1, 2027.

JUSTIFICATION: Career and technical education utilizes a wide range of activities and equipment to provide students with industry-based skills and makes academic content accessible to students in a hands-on context. Examples of career and technical education equipment include anatomy tables, flight simulators, and welding simulators. These types of equipment allow for student learning simulations that can be too expensive or not pragmatic for students to perform in a regular classroom setting. While students are encouraged to explore career options and acquire the technical skills and knowledge to work towards industry-recognized certifications and high-demand careers, without access to these types of equipment, students are severely limited in the degree to which they can acquire the technical skills and knowledge and would instead have to wait to gain those skills upon employment or in other secondary licensure programs after high school.

In the Department's State of Hawai'i Public Education 2023-2029 Strategic Plan, one of the stated goals is that all students graduate high school prepared for college and career success and community and civic engagement. One avenue to achieve this goal is through expanding work-based learning

experiences that are often offered through career and technical education. As educational teaching tools have become more advanced, they are increasingly expensive to procure and can involve long lead times for delivery.

Despite the advantages that these educational tools can provide, schools are often deterred from purchasing them due to having to follow specific processes laid out in the Hawaii Public Procurement Code. This can create an administrative burden on schools that they do not have the time to navigate. Currently, books and maps are exempted from the Hawaii Public Procurement Code as it was deemed not advantageous to the State to procure them by competitive means. Similarly, procuring these educational tools competitively would place an administrative burden on schools leading school administrators to not purchase these educational tools and reducing the opportunities for students to acquire technical skills and knowledge that are needed in future careers.

Impact on the public: Students will be able to use modern technology in their educational curricula. The new equipment will aid in their understanding of the content and provide them with more realistic training in their career and technical education courses.

By exempting these types of educational materials and tools from the procurement code, schools will face less of an administrative burden and be more likely to purchase educational materials and tools that will allow for greater opportunities for work-based learning experiences prior to entering the workforce.

Impact on the department and other agencies: Reduces the administrative burden on schools who wish to procure educational materials

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and equipment related to career and technical education programs.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: EDN 100.

OTHER AFFECTED
AGENCIES: State Procurement Office.

EFFECTIVE DATE: Upon approval, and shall be repealed on July 1, 2027.