### A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. The legislature finds that consistent 2 application of the procurement code across various state and 3 county procuring agencies will provide for a more competent and 4 accountable procurement policy. The State's decentralized 5 procurement structure and varied training requirements have 6 resulted in inconsistent and sometimes questionable 7 implementations of the procurement code across numerous 8 agencies. There are twenty-one different chief procurement 9 officers that may delegate their authority, which may lead to 10 hundreds of state employees conducting or participating in 11 procurements each year with little training or tracking. 12 The legislature further finds that the state procurement 13 office has the responsibility for developing and administering a 14 statewide procurement orientation and training program, as well 15 as developing and administering procurement manuals for all 16 state procurement officials. The legislature supports the state 17 procurement office's efforts to implement accessible statewide 18 training and best practices, with a phased-in training plan to 2015-2238 HB1127 SD1 SMA.doc

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1 meet statewide procurement needs, including additional positions 2 for a training section and a complete learning management 3 system. 4 The purpose of this Act is to require the state procurement 5 office to provide mandatory procurement training and any 6 additional training as the chief procurement officers may 7 determine for all state and county government employees that are 8 charged with procurement. 9 SECTION 2. Section 103D-110, Hawaii Revised Statutes, is 10 amended to read as follows: 11 "§103D-110 Education and training. [(a) The department 12 of human resources development, either alone or in cooperation 13 with any governmental body, including the department of labor 14 and industrial relations, or in cooperation with other states, 15 the federal government, or other persons may: 16 (1) Conduct or participate in procurement education and **17** training for persons not employed by the State; and 18 (2) Sponsor a purchasing certification program conducted by a voluntary organization of procurement 19

professionals.

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(b) (a) The state procurement office[, in cooperation 1 2 with the department of human resources development, shall 3 develop and maintain a statewide procurement practices training 4 and development program for all procurement officers, including 5 deputy attorneys general executing and providing advice on 6 procurement contracts, of [the State and the several counties,] 7 all governmental bodies to ensure that [an agency's] statewide 8 procurement practices are in compliance with the procurement 9 code and that proper procurement decisions are made consistent 10 with this chapter. The program shall include a mandatory 11 fundamental training and development session and follow-up training and development sessions [-], as identified by the state 12 13 procurement office; provided that the state procurement office 14 shall conduct mandatory follow-up training and development sessions under this subsection at regular intervals of at least 15 16 once every twelve months. 17 [<del>(c)</del>] (b) Each [state procurement officer of a department 18 of the executive branch] government employee delegated with 19 procurement authority of a State or county agency shall attend a 20 mandatory fundamental training and development session, as developed by the state procurement office, within sixty days of 21

1 being delegated with procurement authority, appointed, or named 2 to the position of procurement officer[-] of any governmental 3 body. 4 [<del>(d)</del>] (c) Each state procurement officer of a department 5 of the executive branch whom the state procurement office 6 determines is in need of further training and development based 7 upon: 8 The history of procurement compliance to this chapter (1) 9 by the agency to which the particular procurement 10 officer is attached; or 11 (2) Any other need for training and development, 12 shall attend follow-up training and development sessions [-] in 13 addition to any follow-up training and development session 14 required under this section, as determined by the state 15 procurement office. 16 (d) Each chief procurement officer may develop further 17 training for the officer's respective jurisdiction as necessary 18 for any procurement officer with procurement delegation 19 authority pursuant to the officer's authority established in

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section 103D-205.

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1 (e) Attendance by state and county procurement officers at 2 the follow-up training and development sessions [, other than as 3 required under subsection (d), and by county procurement 4 officials at the fundamental and follow-up training and 5 development sessions is optional, though encouraged.] shall be 6 mandatory. A procurement officer who is unable to attend a 7 follow-up or development session shall notify the state 8 procurement office in writing, and comply with the state 9 procurement office's direction for rescheduling the training. 10 (f) The chief procurement officers and executive 11 department directors shall provide a list of employees with delegated procurement authority to the state procurement office 12 13 for reporting and verification of procurement training 14 requirements. The list of procurement officers shall be updated 15 by the chief procurement officers by the end of each fiscal 16 year, or more often as appropriate." SECTION 3. There is appropriated out of the general 17 18 revenues of the State of Hawaii the sum of \$ or so 19 much thereof as may be necessary for fiscal year 2015-2016 and 20 the same sum or so much thereof as may be necessary for fiscal 21 year 2016-2017 for the development and maintenance of a

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- 1 statewide procurement practices training and development program
- 2 for all procurement officers of all governmental bodies, as
- 3 those terms are defined in section 103D-104, Hawaii Revised
- 4 Statutes.
- 5 The sums appropriated shall be expended by the state
- 6 procurement office for the purposes of this Act.
- 7 SECTION 4. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 5. This Act shall take effect on July 1, 2050.

#### Report Title:

Procurement; Procurement Officers; Education and Training; Appropriation

### Description:

Requires all procurement officers of state and county governmental bodies to attend initial training by the State Procurement Office and regular follow-up training as determined by the State Procurement Office. Appropriates funds. Effective 7/1/2050. (SD1)

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