
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 during challenging
2 economic times, it is necessary for the State to investigate and
3 employ new and innovative ways of maintaining and improving
4 state services and infrastructure, while ensuring the prudent
5 and cost-effective expenditure of public moneys. Accordingly,
6 the process of the acquisition of goods and services must have
7 the flexibility to accommodate circumstances when full
8 competition is not necessary to address a unique need, such as
9 developing a flexible local food purchasing structure or
10 private-public partnerships.

11 The purpose of this Act is to:

- 12 (1) Provide the State with greater flexibility in the
13 procurement of certain goods and services; and
14 (2) Improve the State's responsiveness in addressing
15 unique or unusual needs or situations for the benefit
16 of the people of this State;

17 while maintaining the accountability and transparency afforded
18 by the Hawaii public procurement code.



1 SECTION 2. Chapter 103D, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§103D- Special procurement. (a) Contracts for goods
5 and services may be awarded, absent full competition, using a
6 special procurement process in accordance with this section and
7 procedures set forth in rules adopted by the procurement policy
8 board. The special procurement process authorized by this
9 section shall be used only when the chief procurement officer
10 determines in writing that it is advantageous to the State to
11 use the process to procure new or unique requirements of the
12 State, new technologies, or public-private partnerships to
13 achieve best value.

14 (b) Prior to issuing the notice required under subsection
15 (c), the head of a purchasing agency shall prepare a procurement
16 plan developed in accordance with this section and rules
17 established by the procurement policy board. The purpose of the
18 procurement plan is to document the process to be used and why
19 the special process is more advantageous to the State than other
20 procurement methods. The plan shall be submitted to the



1 attorney general or corporation counsel for review to ensure
2 compliance with applicable laws.

3 (c) Notice of a solicitation under the special procurement
4 process shall be given in the same manner as provided in section
5 103D-302(c).

6 (d) The head of the purchasing agency or a designee shall
7 electronically post, for at least one year, public notice of
8 contracts awarded under this section within seven days of the
9 contract award. Information posted shall include but not be
10 limited to:

11 (1) The name of the person or organization receiving the
12 award;

13 (2) The dollar amount of the contract; and

14 (3) The name of the head of the purchasing agency or
15 designee making the selection.

16 A written determination of the basis for the special
17 procurement and for the selection of the particular contractor
18 shall be included by the head of the purchasing agency in the
19 contract file, and a report shall be submitted to the state
20 procurement office and made available publicly by the chief
21 procurement officer at least annually. The state procurement



1 office shall submit a report of any special procurement reports
2 received from a chief procurement officer to the legislature no
3 later than twenty days prior to the convening of each regular
4 session."

5 SECTION 3. Section 103D-301, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§103D-301 Methods of source selection. Unless otherwise
8 authorized by law, all contracts shall be awarded pursuant to
9 the following sections, as applicable:

- 10 (1) Section 103D-302 (Competitive sealed bids);
11 (2) Section 103D-303 (Competitive sealed proposals);
12 (3) Section 103D-304 (Professional services procurement);
13 (4) Section 103D-305 (Small purchases);
14 (5) Section 103D-306 (Sole source procurement); [~~and~~]
15 (6) Section 103D-307 (Emergency procurements) [~~-~~]; and
16 (7) Section 103D- (Special procurements)."

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. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 6. This Act shall take effect on July 1, 2030.



Report Title:

Procurement Code; Special Procurement

Description:

Establishes a special procurement process for the procurement of goods and services. Requires the procurement policy board to establish procedures for use of the special procurement process by rules. Requires the head of a purchasing agency to prepare a procurement plan and submit the plan to the Attorney General or corporation counsel. Requires the head of a purchasing agency to electronically post, for at least one year, public notice of special procurement contracts within seven days of the contract award. Effective July 1, 2030. (SD1)

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

