## A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1	SECT	ION 1	. Section 103D-102, Hawaii Revised Statutes, is
2	amended by	y ame	nding subsection (b) to read as follows:
3	"(b)	Not	withstanding subsection (a), this chapter shall
4	not apply	to c	ontracts by governmental bodies:
5	(1)	Soli	cited or entered into before July 1, 1994, unless
6	,	the	parties agree to its application to a contract
7		soli	cited or entered into prior to July 1, 1994;
8	(2)	To d	isburse funds, irrespective of their source:
9		(A)	For grants as defined in section 42F-101, made by
10			the State in accordance with standards provided
11			by law as required by article VII, section 4, of
12			the state constitution; or by the counties
13			pursuant to their respective charters or
14			ordinances;
15		(B)	To make payments to or on behalf of public
16			officers and employees for salaries, fringe
17			benefits, professional fees, or reimbursements:

1	(0)	to sacisty obligacions that the beate 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

1		(1) For concraces awarded in accordance with chapter		
2		103F;		
3	(3)	To procure goods, services, or construction from a		
4		governmental body other than the University of Hawaii		
5		bookstores, from the federal government, or from		
6		another state or its political subdivision;		
7	(4)	To procure the following goods or services which are		
8		available from multiple sources but for which		
9		procurement by competitive means is either not		
10		practicable or not advantageous to the State:		
11		(A) Services of expert witnesses for potential and		
12		actual litigation of legal matters involving the		
13		State, its agencies, and its officers and		
14		employees, including administrative quasi-		
15		judicial proceedings;		
16		(B) Works of art for museum or public display;		
17		(C) Research and reference materials including books		
18		maps, periodicals, and pamphlets, which are		
19		published in print, video, audio, magnetic, or		
20		electronic form;		

1	(D)	meats and roodsturrs for the karaupapa
2		settlement;
3	(E)	Opponents for athletic contests;
4	(F)	Utility services whose rates or prices are fixed
5		by regulatory processes or agencies;
6	(G)	Performances, including entertainment, speeches,
7		and cultural and artistic presentations;
8	(H)	Goods and services for commercial resale by the
9		State;
10	(I)	Services of printers, rating agencies, support
11		facilities, fiscal and paying agents, and
12		registrars for the issuance and sale of the
13		State's or counties' bonds;
14	(J)	Services of attorneys employed or retained to
15		advise, represent, or provide any other legal
16		service to the State or any of its agencies, on
17		matters arising under laws of another state or
18		foreign country, or in an action brought in
19		another state, federal, or foreign jurisdiction,
20		when substantially all legal services are
<b>)</b> 1		expected to be performed outside this State:

1		(K)	Financing agreements under chapter 37D; and
2		(L)	Any other goods or services which the policy
3			board determines by rules or the chief
4			procurement officer determines in writing is
5			available from multiple sources but for which
6			procurement by competitive means is either not
7			practicable or not advantageous to the State; and
8	(5)	Whic	ch are specific procurements expressly exempt from
9		any	or all of the requirements of this chapter by:
10		(A)	References in state or federal law to provisions
11			of this chapter or a section of this chapter, or
12			references to a particular requirement of this
13			chapter; and
14		(B)	Trade agreements, including the Uruguay Round
15			General Agreement on Tariffs and Trade (GATT)
16	•		which require certain non-construction and non-
17			software development procurements by the
18			comptroller to be conducted in accordance with
19			its terms[-];
20	provided	that	any governmental body entering into a contract to
21	which thi	s cha	apter does not apply pursuant to this subsection

- 1 shall report that contract to the state procurement office and
- 2 legislature."
- 3 SECTION 2. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 3. This Act shall take effect on July 1, 2050.

S.B. NO. 2914 S.D. H.D.

## Report Title:

Procurement Code; Exempt Contracts; Government Bodies; Reporting Requirement; State Procurement Office

## Description:

Requires any governmental body that enters into a contract that is exempt from the State Procurement Code pursuant to Section 103D-102(b), Hawaii Revised Statutes, such as a contract for procurement of services of attorneys employed or retained to provide legal services to the State or any of its agencies, to report that contract to the State Procurement Office and Legislature. (SB2914 HD1)

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