
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 acquiring goods and services must have the
7 flexibility to accommodate circumstances when full competition
8 is not necessary to address a unique need, such as private-
9 public partnerships and developing a flexible local food
10 purchasing structure.

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 the State,



1 while maintaining the accountability and transparency afforded
2 by the Hawaii public procurement code.

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

6 "§103D- Special procurement. (a) Contracts for goods
7 and services may be awarded, through competition as is
8 practicable under the circumstances, using a special procurement
9 process approved by the chief procurement officer. The special
10 procurement process shall be used only when the chief
11 procurement officer determines in writing that it is
12 advantageous to the State to use the special procurement process
13 to address new or unique requirements of the State or procure
14 new technologies or public-private partnerships to achieve best
15 value.

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



1 State than other procurement methods. The plan shall be
2 submitted to the attorney general or corporation counsel, as
3 applicable, for review to ensure compliance with applicable
4 laws.

5 (c) Notice of a solicitation under the special procurement
6 process shall be given in the same manner as provided in section
7 103D-302(c).

8 (d) The head of the purchasing agency or a designee shall
9 post electronically all contracts awarded under this section.
10 Awards shall be posted within seven days of the contract award
11 and shall remain available for at least one year. Information
12 posted shall include but not be limited to:

13 (1) The name of the person or organization receiving the
14 award;

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

16 (3) The name of the head of the purchasing agency or
17 designee making the selection.

18 A written determination of the basis for the special
19 procurement and for the selection of the particular contractor
20 shall be included by the head of the purchasing agency in the
21 contract file and a report shall be submitted to the state



1 procurement office and made available publicly by the chief
2 procurement officer at least annually.

3 (e) The state procurement office shall submit a report of
4 any special procurement reports received from the chief
5 procurement officer to the legislature no later than twenty days
6 prior to the convening of each regular session."

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

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

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

19 SECTION 4. The procurement policy board shall adopt rules
20 pursuant to chapter 91, Hawaii Revised Statutes, to effectuate
21 section 2 of this Act by December 31, 2021.



1 SECTION 5. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 6. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 7. This Act shall take effect on May 6, 2137.



Report Title:

Procurement Code; Special Procurement

Description:

Authorizes a special procurement process for the procurement of goods and services. Requires the procurement policy board to establish rules and procedures for the special procurement process by December 31, 2021. 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, all contracts awarded through a special procurement process within seven days of the contract award. Effective 5/6/2137.
(SD2)

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

