H.B. NO. <sup>2070</sup> H.D. 1 S.D. 1

# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1	SECTION 1. Section 103D-709, Hawaii Revised Statutes, is
2	amended by amending subsection (e) to read as follows:
3	"(e) The party initiating a proceeding falling within
4	subsection (d) shall pay to the department of commerce and
5	consumer affairs a cash or protest bond in the amount of one per
6	cent of the estimated value of the contract.
7	[If the initiating party prevails in the administrative
8	<del>proceeding, the</del> ] <u>The</u> cash or protest bond shall be returned to
9	that party[. If], minus administrative costs as determined by
10	the office of administrative hearings of the department of
11	commerce and consumer affairs; provided that full forfeiture of
12	the cash or protest bond shall occur if the initiating party
13	does not prevail in the administrative proceeding[ $_{ au}$ ] and the
14	office of administrative hearings finds that the appeal was
15	frivolous or made in bad faith, in which case the cash or
16	protest bond shall be deposited into the general fund."

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- SECTION 2. Statutory material to be repealed is bracketed
  and stricken. New statutory material is underscored.
- **3** SECTION 3. This Act shall take effect on July 1, 2024.





### Report Title:

Hawaii Public Procurement Code; Administrative Proceedings for Review; Cash or Protest Bond; Return to Party; Forfeiture

### Description:

Requires cash or protest bonds to be returned to the initiating parties, minus administrative costs as determined by the Office of Administrative Hearings of the Department of Commerce and Consumer Affairs, except in cases where the appeal was frivolous or made in bad faith. (SD1)

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