# A BILL FOR AN ACT

RELATING TO DEPARTMENT OF EDUCATION PROCUREMENT.

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

1 SECTION 1. The legislature finds that as the largest 2 department in the State with nearly three hundred schools and 3 twenty-five thousand employees, the department of education must 4 procure numerous pieces of career and technical education 5 equipment. Examples of career and technical education equipment include anatomy tables, flight simulators, and welding 6 7 simulators. These types of equipment allow for student learning 8 simulations that can be too expensive or not pragmatic for 9 students to perform in a regular classroom setting. While 10 students are encouraged to explore career options and acquire 11 the technical skills and knowledge to work towards industry-12 recognized certifications and high-demand careers, the lack of 13 access to these types of equipment can severely limit the 14 technical skills and knowledge students need for the degrees in which they are pursuing, requiring them to wait to gain those 15 16 skills upon employment or in other secondary licensure programs 17 after high school.





1 Despite the advantages and opportunities that these pieces 2 of equipment can provide, the process to procure them can be 3 lengthy, complicated, and can deter schools from purchasing 4 them. Books and maps are exempted from the Hawaii public procurement code as it is not advantageous to the State to 5 6 procure these materials by competitive means. In a similar 7 manner, career and technical education equipment should be 8 exempt, as procurement by competitive means is adversely 9 affecting the opportunities for students to acquire necessary 10 technical skills and knowledge.

11 Therefore, the purpose of this Act is to exempt from the 12 Hawaii public procurement code educational materials and related 13 training for direct student instruction in career and technical 14 education programs within the department of education.

15 SECTION 2. Section 103D-102, Hawaii Revised Statutes, is 16 amended by amending subsection (b) to read as follows:

17 "(b) Notwithstanding subsection (a), this chapter shall18 not apply to contracts by governmental bodies:

19 (1) Solicited or entered into before July 1, 1994, unless
20 the parties agree to its application to a contract

2024-2184 HB335 SD1 SMA.docx

1		soli	cited or entered into [ <del>prior to</del> ] <u>before</u> July 1,
2		1994,	;
3	(2)	To di	isburse funds, irrespective of their source:
4		(A)	For grants as defined in section 42F-101, made by
5			the State in accordance with standards provided
6			by law as required by article VII, section 4, of
7			the state constitution; or by the counties
8			pursuant to their respective charters or
9			ordinances;
10		(B)	To make payments to or on behalf of public
11			officers and employees for salaries, fringe
12			benefits, professional fees, or reimbursements;
13		(C)	To satisfy obligations that the State is required
14			to pay by law, including paying fees, permanent
15			settlements, subsidies, or other claims, making
16			refunds, and returning funds held by the State as
17			trustee, custodian, or bailee;
18		(D)	For entitlement programs, including public
19			assistance, unemployment, and workers'
20			compensation programs, established by state or
21			federal law;





1		(E)	For dues and fees of organizations of which the
2			State or its officers and employees are members,
3			including the National Association of Governors,
4			the National Association of State and County
5			Governments, and the Multi-State Tax Commission;
6		(F)	For deposit, investment, or safekeeping,
7			including expenses related to their deposit,
8			investment, or safekeeping;
9		(G)	To governmental bodies of the State;
10		(H)	As loans, under loan programs administered by a
11			governmental body; and
12		(I)	For contracts awarded in accordance with chapter
13			103F;
14	(3)	To p	rocure goods, services, or construction from a
15		gove	rnmental body other than the University of Hawaii
16		book	stores, from the federal government, or from
17		anot	her state or its political subdivision;
18	(4)	То р	rocure the following goods or services [ <del>which</del> ]
19		that	are available from multiple sources but for which
20		proc	urement by competitive means is either not
21		prac	ticable or not advantageous to the State:

2024-2184 HB335 SD1 SMA.docx

Page 5

1	(A)	Services of expert witnesses for potential and
2		actual litigation of legal matters involving the
3		State, its agencies, and its officers and
4		employees, including administrative quasi-
5		judicial proceedings;
6	(B)	Works of art for museum or public display;
7	(C)	Research and reference materials including books,
8		maps, periodicals, and pamphlets, which are
9		published in print, video, audio, magnetic, or
10		electronic form;
11	(D)	Meats and foodstuffs for the Kalaupapa
12		settlement;
13	(E)	Opponents for athletic contests;
14	(F)	Utility services whose rates or prices are fixed
15		by regulatory processes or agencies;
16	(G)	Performances, including entertainment, speeches,
17		and cultural and artistic presentations;
18	(H)	Goods and services for commercial resale by the
19		State;
20	(I)	Services of printers, rating agencies, support
21		facilities, fiscal and paying agents, and



1		registrars for the issuance and sale of the
2		State's or counties' bonds;
3	(J)	Services of attorneys employed or retained to
4		advise, represent, or provide any other legal
5		service to the State or any of its agencies, on
6		matters arising under laws of another state or
7		foreign country, or in an action brought in
8		another state, federal, or foreign jurisdiction,
9		when substantially all legal services are
10		expected to be performed outside this State;
11	(K)	Financing agreements under chapter 37D; [ <del>and</del> ]
12	<u>(L)</u>	Educational materials and related training for
13		direct student instruction in career and
14		technical education programs as defined in
15		section 302A-101, including supplies, implements,
16		tools, machinery, electronic devices, or other
17		goods purchased by the department of education;
18		and
19	[ <del>(L)</del> ] <u>(M)</u>	Any other goods or services [ <del>which</del> ] <u>that</u> the
20		policy board determines by rules or the chief
21		procurement officer determines in writing is



1			available from multiple sources but for which		
2			procurement by competitive means is either not		
3			practicable or not advantageous to the State; and		
4	(5)	[₩hi	<del>ch</del> ] <u>That</u> are specific procurements expressly		
5		exem	pt from any or all of the requirements of this		
6		chap	chapter by:		
7		(A)	References in state or federal law to provisions		
8			of this chapter or a section of this chapter, or		
9			references to a particular requirement of this		
10			chapter; and		
11		(B)	Trade agreements, including the Uruguay Round		
12			General Agreement on Tariffs and Trade (GATT)		
13			[which] that require certain non-construction and		
14			non-software development procurements by the		
15			comptroller to be conducted in accordance with		
16			its terms."		
17	SECT	ION 3	. Statutory material to be repealed is bracketed		
18	and stric	ken.	New statutory material is underscored.		
19	SECT	ION 4	. This Act shall take effect upon its approval.		

# 2024-2184 HB335 SD1 SMA.docx



#### Report Title:

DOE; Procurement; Exemption; Career and Technical Education

#### Description:

Exempts from the Hawaii Public Procurement Code educational materials and related training for direct student instruction in career and technical education programs within the Department of Education. (SD1)

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

