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 |
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| 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 |
| 6 | include anatomy tables, flight simulators, and welding |
| 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 |
| 15 | which they are pursuing, requiring them to wait to gain those |
| 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
- 5 procurement code as it is not advantageous to the State to
- 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:
- "(b) Notwithstanding subsection (a), this chapter shall
- 18 not apply to contracts by governmental bodies:
- 19 (1) Solicited or entered into before July 1, 1994, unless
- the parties agree to its application to a contract

| 1 | | soli | cited or entered into [prior to] <u>before</u> July 1, |
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| 2 | | 1994 | ; |
| 3 | (2) | Тос | lisburse 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 |
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| 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) | То р | 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 [which] |
| 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: |

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| 1 | (A) | Services of expert witnesses for potential and |
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| 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 |
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| 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; [and] |
| 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 | [(L)] <u>(M)</u> | Any other goods or services [which] that the |
| 20 | | policy board determines by rules or the chief |
| 21 | | procurement officer determines in writing is |

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| 1 | | | available from multiple sources but for which |
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| 2 | | | procurement by competitive means is either not |
| 3 | | | practicable or not advantageous to the State; and |
| 4 | (5) | [Whic | ch] <u>That</u> are specific procurements expressly |
| 5 | | exemp | ot from any or all of the requirements of this |
| 6 | | chapt | cer 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. |

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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. (Proposed SD1)

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