JAN 2 0 2023

### 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 proceeding, the] The 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  $[\tau]$  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."

## S.B. NO. 1135

	1	SECTION	2.	Statutory	material	to	be	repealed	is	bracketed
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- 2 and stricken. New statutory material is underscored.
- 3 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

# S.B. NO. 1135

### 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, except in cases where the appeal was frivolous or made in bad faith.

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