

**SENATE FLOOR AMENDMENT**

FLOOR AMENDMENT NO. 9 Date 4/8/25

TO: House Bill No. 1155, H.D. 1, S.D. 1

SECTION 1. House Bill No. 1155, H.D. 1, S.D. 1, is amended by deleting the existing section 1 and inserting the following new section 1:

"SECTION 1. Section 103D-101, Hawaii Revised Statutes, is amended to read as follows:

**"§103D-101 Requirements of ethical public procurement.**

(a) All public employees shall conduct and participate in public procurement in an ethical manner. In conducting and participating in procurement, public employees shall:

- (1) Act as a fiduciary and trustee of public moneys;
- (2) Remain independent from any actual or prospective bidder, offeror, contractor, or business;
- (3) Act only in the public interest;
- (4) Abide by the statutes and administrative rules relating to public procurement;
- (5) Identify and maximize efficiencies in the public procurement process;
- (6) Encourage economic competition by:
  - (A) Ensuring that all persons are afforded an equal opportunity to compete in a fair and open environment; and





- (B) Researching innovative goods and services to meet the public's needs;
  - (7) Avoid the intent and appearance of unethical behavior;
  - (8) Avoid social interactions with any actual or prospective bidder, offeror, contractor, business, or other interested parties during the procurement process;
  - (9) Maintain confidentiality in a manner that ensures a fair procurement process;
  - (10) Remain impartial in dealings with any actual or prospective bidder, offeror, contractor, business, or other interested parties; and
  - (11) Identify and eliminate any conflicts of interest.
- (b) Any actual or prospective bidder, offeror, [‡]contractor[‡], or business taking part in the conduct of public procurement, shall act in good faith to practice purchasing ethics, and when applicable, display business integrity as a responsible offeror through the public procurement process, including but not limited to the following:
- (1) Avoiding the intent and appearance of unethical behavior or business practices;
  - (2) Refraining from any activity that would create the appearance of impropriety or conflicts of personal interest and the interests of the State or counties;



(3) Identifying and eliminating any conflicts of interest;  
and

(4) Ensuring that all persons are afforded an equal  
opportunity to compete in a fair and open environment.

(c) All parties involved in the negotiation, performance,  
or administration of state contracts shall act in good faith.

(d) Governmental bodies and public employees shall not  
procure services for project management through non-governmental  
third-party contracts; provided that this subsection shall not  
apply to the procurement of independent verification and  
validation contracts for information technology services if  
approved by the agency's respective chief procurement officer,  
as provided under section 103D-203."

**SECTION 2. House Bill No. 1155, H.D. 1, S.D. 1, is amended by amending  
section 2 to read as follows:**

"SECTION 2. Section 103D-104, Hawaii Revised Statutes, is  
amended by adding a new definition to be appropriately inserted  
and to read as follows:

"Project management" means a professional service that  
manages a project's schedule, cost, quality, safety, scope, and  
function, and ensuring that the project is completed on time and  
within budget."

**SECTION 3. House Bill No. 1155, H.D. 1, S.D. 1, is amended by amending  
section 3 to read as follows**



"SECTION 3. Section 103D-405, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) Outside contractors may be utilized to prepare specifications and work statements in the development of a solicitation. Contractors paid for those services shall be precluded from bidding on or receiving a contract when they participated [~~in any way~~] in the development of the solicitation package or any resulting contract[-]; provided that an outside contractor who has been paid to prepare specifications and work statements in the development of a solicitation may bid on or receive a contract after they participated in the development of the solicitation package for the resulting contract if:

- (1) The purchasing agency is the department of transportation;
- (2) The director of transportation determines in writing that a waiver authorizing the outside contractor to bid on or receive a contract is in the best interests of the State; and
- (3) The solicitation package requires a procurement method that is allowable under federal statute; federal regulation; federal special experimental, demonstration project; or a federal approval of the procurement method."

