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## A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1           SECTION 1. The legislature finds that the existing Hawaii  
2 Revised Statute relating to small purchases is due for an  
3 adjustment to dollar thresholds with regard to inflation. With  
4 the costs of goods, services, and construction continuously  
5 rising, the items that qualify as a small purchase continue to  
6 dwindle. These dollar amount thresholds were last adjusted in  
7 1997. Adjusting the dollar values of what qualifies as a small  
8 purchase with regard to inflation will afford agencies the same  
9 purchasing power as originally intended.

10           SECTION 2. Section 103D-305, Hawaii Revised Statutes, is  
11 amended as follows:

12           1. By amending subsection (a) to read:

13           "(a) Procurements of less than [~~\$100,000~~] \$150,000 for  
14 goods or services, or [~~\$250,000~~] \$360,000 for construction shall  
15 be made in accordance with procedures set forth in rules adopted  
16 by the policy board that are designed to ensure administrative  
17 simplicity and as much competition as is practicable; provided



1 that multiple expenditures shall not be created at the inception  
2 of a transaction or project so as to evade the requirements of  
3 this chapter; and provided further that procurement requirements  
4 shall not be artificially divided or parceled so as to  
5 constitute a small purchase under this section."

6 2. By amending subsection (c) to read:

7 "(c) Procurements of [~~\$25,000~~] \$100,000 to less than  
8 [~~\$250,000~~] \$360,000 shall be made in accordance with small  
9 purchase procedures; provided that such small purchase  
10 procurements through an electronic system shall be required."

11 SECTION 3. Section 103D-310, Hawaii Revised Statutes, is  
12 amended by amending subsection (c) to read as follows:

13 "(c) All offerors, upon award of contract, shall comply  
14 with all laws governing entities doing business in the State,  
15 including chapters 237, 383, 386, 392, and 393. Offerors shall  
16 produce documents to the procuring officer to demonstrate  
17 compliance with this subsection. Any offeror making a false  
18 affirmation or certification under this subsection shall be  
19 suspended from further offerings or awards pursuant to  
20 section 103D-702. The procuring officer shall verify compliance  
21 with this subsection for all contracts awarded pursuant to



# H.B. NO. 381

1 sections 103D-302, 103D-303, 103D-304, and 103D-306, and for  
2 contracts and procurements of [~~\$2,500~~] \$10,000 or more awarded  
3 pursuant to section 103D-305; provided that the attorney general  
4 may waive the requirements of this subsection for contracts for  
5 legal services if the attorney general certifies in writing that  
6 comparable legal services are not available in this State."

7 SECTION 4. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect upon its approval.

10

INTRODUCED BY:



BY REQUEST

JAN 16 2025



# H.B. NO. 381

**Report Title:**

Hawaii Council of Mayors Package; Procurement; Small Purchases

**Description:**

Increases the procurement thresholds for small purchases.

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

