

---

# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1       SECTION 1. Section 103D-102, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3       "(b) Notwithstanding subsection (a), this chapter shall  
4 not apply to contracts by governmental bodies:

5       (1) Solicited or entered into before July 1, 1994, unless  
6       the parties agree to its application to a contract  
7       solicited or entered into prior to July 1, 1994;

8       (2) To disburse funds, irrespective of their source:

9       (A) For grants as defined in section 42F-101, made by  
10       the State in accordance with standards provided  
11       by law as required by article VII, section 4, of  
12       the state constitution; or by the counties  
13       pursuant to their respective charters or  
14       ordinances;

15       (B) To make payments to or on behalf of public  
16       officers and employees for salaries, fringe  
17       benefits, professional fees, or reimbursements;



- 1 (C) To satisfy obligations that the State is required  
2 to pay by law, including paying fees, permanent  
3 settlements, subsidies, or other claims, making  
4 refunds, and returning funds held by the State as  
5 trustee, custodian, or bailee;
- 6 (D) For entitlement programs, including public  
7 assistance, unemployment, and workers'  
8 compensation programs, established by state or  
9 federal law;
- 10 (E) For dues and fees of organizations of which the  
11 State or its officers and employees are members,  
12 including the National Association of Governors,  
13 the National Association of State and County  
14 Governments, and the Multi-State Tax Commission;
- 15 (F) For deposit, investment, or safekeeping,  
16 including expenses related to their deposit,  
17 investment, or safekeeping;
- 18 (G) To governmental bodies of the State;
- 19 (H) As loans, under loan programs administered by a  
20 governmental body; and



1 (I) For contracts awarded in accordance with chapter  
2 103F;

3 (3) To procure goods, services, or construction from a  
4 governmental body other than the university of Hawaii  
5 bookstores, from the federal government, or from  
6 another state or its political subdivision;

7 (4) To procure the following goods ~~[or]~~, services, or  
8 construction that are available from multiple sources  
9 but for which procurement by competitive means is  
10 either not practicable or not advantageous to the  
11 State:

12 (A) Services of expert witnesses for potential and  
13 actual litigation of legal matters involving the  
14 State, its agencies, and its officers and  
15 employees, including administrative quasi-  
16 judicial proceedings;

17 (B) Works of art for museum or public display;

18 (C) Research and reference materials including books,  
19 maps, periodicals, and pamphlets, which are  
20 published in print, video, audio, magnetic, or  
21 electronic form;



- 1 (D) Meats and foodstuffs for the Kalaupapa  
2 settlement;
- 3 (E) Opponents for athletic contests;
- 4 (F) Utility services whose rates or prices are fixed  
5 by regulatory processes or agencies;
- 6 (G) Performances, including entertainment, speeches,  
7 and cultural and artistic presentations;
- 8 (H) Goods and services for commercial resale by the  
9 State;
- 10 (I) Services of printers, rating agencies, support  
11 facilities, fiscal and paying agents, and  
12 registrars for the issuance and sale of the  
13 State's or counties' bonds;
- 14 (J) Services of attorneys employed or retained to  
15 advise, represent, or provide any other legal  
16 service to the State or any of its agencies, on  
17 matters arising under laws of another state or  
18 foreign country, or in an action brought in  
19 another state, federal, or foreign jurisdiction,  
20 when substantially all legal services are  
21 expected to be performed outside the State;



- 1 (K) Financing agreements under chapter 37D;
- 2 (L) Educational materials and related training for
- 3 direct student instruction in career and
- 4 technical education programs as defined in
- 5 section 302A-101, including supplies, implements,
- 6 tools, machinery, electronic devices, or other
- 7 goods purchased by the department of education;
- 8 provided that:
- 9 (i) The department of education shall acquire
- 10 three written quotes for purchases that
- 11 exceed \$100,000 made pursuant to this
- 12 subparagraph;
- 13 (ii) Awards over \$2,500 shall comply with section
- 14 103D-310(c); and
- 15 (iii) Awards over \$500,000 shall be approved by
- 16 the superintendent of education; and
- 17 (M) Any other goods ~~[or]~~, services, or construction
- 18 that the policy board determines by rules or the
- 19 chief procurement officer determines in writing
- 20 is available from multiple sources but for which



1 procurement by competitive means is either not  
2 practicable or not advantageous to the State; and

3 (5) That are specific procurements expressly exempt from  
4 any or all of the requirements of this chapter by:

5 (A) References in state or federal law to provisions  
6 of this chapter or a section of this chapter, or  
7 references to a particular requirement of this  
8 chapter; and

9 (B) Trade agreements, including the Uruguay Round  
10 General Agreement on Tariffs and Trade (GATT),  
11 that require certain non-construction and non-  
12 software development procurements by the  
13 comptroller to be conducted in accordance with  
14 its terms."

15 SECTION 2. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act shall take effect on July 1, 3000;  
18 provided that the amendments made to section 103D-102(b), Hawaii  
19 Revised Statutes, by section 1 of this Act shall not be repealed



- 1 when that section is reenacted on July 1, 2027, pursuant to
- 2 section 4 of Act 150, Session Laws of Hawaii 2024.



**Report Title:**

Procurement; Exemptions; Government Bodies; Construction  
Projects

**Description:**

Exempts from the Hawaii Public Procurement Code contracts by  
government bodies to procure certain construction projects.  
Effective 7/1/3000. (HD1)

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

