## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF EDUCATION.

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

1	SECTION 1. Chapter 302A, Hawaii Revised Statutes, is
2	amended by adding a new section to subpart C of part II to be
3	appropriately designated and to read as follows:
4	"§302A- Procurement; locally sourced products;
<b>5</b> ,	geographic preference; small purchases. (a) Notwithstanding
6	section 103D-305(c) or any other law to the contrary, the
7	department may procure fresh local agricultural products and
8	local value-added, processed, agricultural, or food products of
9	less than \$ without using an electronic system;
10	provided that for these procurements:
11	(1) No less than three written quotes shall be obtained
12	for procurements of \$ to less than
13	\$ ; provided further that the department may
14	instead require no less than two written quotes for
15	procurements of \$ to less than
16	\$ for fresh local agricultural products and
17	local value-added processed, agricultural, or food

1		products to supply schools in rural communities, as
2		determined by the department;
3	(2)	If the department is unable to receive the required
4		number of quotes under paragraph (1), written
5		justification shall be provided and kept by the
6		department in the procurement file;
7	(3)	All awards exceeding \$ shall be posted
8		electronically on the Hawaii awards and notice data
9		system or successor system, or a similar department of
10		education procurement platform;
11	(4)	Offerors shall comply with section 103D-310(c); and
12	(5)	The state procurement office may request data from the
13		department to evaluate the efficacy of this section.
14	(b)	The department shall establish guidelines with a
15	county-le	vel geographic preference for locally sourced products
16	when procu	uring products. The guidelines shall include the
17	following	provisions:
18	(1)	The department shall award contracts for locally
19		sourced products if the cost is no more than ten per
20		cent higher than the lowest-priced out-of-state
21		option; and



1	(2)	The department may award contracts for locally sourced
2		products if the cost is no more than fifteen per cent
3		higher than the lowest-priced out-of-state option;
4		provided that justification for the selection is
5		documented.
6	(c)	For the purposes of this section:
7	"Fre	sh local agricultural products" has the same meaning as
8	defined i	n section 302A-405.6.
9	"Loc	al value-added processed, agricultural, or food
10	products"	has the same meaning as defined in section 302A-405.6.
11	"Loc	ally sourced products" has the same meaning as defined
12	in sectio	n 302A-405.6."
13	SECT	ION 2. Section 103D-104.5, Hawaii Revised Statutes, is
14	amended t	o read as follows:
15	" [ <del>+</del> ]	§103D-104.5[] Agricultural products subject to this
16	chapter[-	]; exemptions. [The] (a) Except as provided in
17	subsectio	n (b), the following agricultural products shall be
18	subject t	o this chapter:
19	(1)	Fresh meats and produce; and

(2) Animals and plants.

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- 1 (b) Procurements by the department of education of the
- 2 agricultural products listed in subsection (a) shall be exempt
- 3 from this chapter.
- 4 (c) Except for the exemptions under section 103D-102(b) [7]
- 5 and subsection (b), no exemptions under this chapter shall apply
- 6 to this section."
- 7 SECTION 3. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 4. This Act shall take effect on July 1, 3000.

## Report Title:

DOE; Procurement; Locally Sourced Products; Fresh Local Agricultural Products; Local Value-Added Processed, Agricultural, or Food Products; Exemption; Geographic Preference

## Description:

Exempts from the electronic procurement system the Department of Education's purchase of fresh local agricultural products and local value-added processed, agricultural, or food products not exceeding a certain amount, subject to certain requirements. Requires the Department of Education to establish guidelines for determining a geographic preference for locally sourced products. Exempts the Department of Education from the requirement that certain agricultural products are subject to the Hawaii Public Procurement Code. Effective 7/1/3000. (HD1)

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