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# A BILL FOR AN ACT

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RELATING TO THE DEPARTMENT OF EDUCATION.

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

SECTION 1. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to subpart C of part II to be appropriately designated and to read as follows:

"§302A- Procurement; locally sourced products; geographic preference; small purchases. (a) Notwithstanding section 103D-305(c) or any other law to the contrary, the department may procure fresh local agricultural products and local value-added, processed, agricultural, or food products of less than \$ without using an electronic system; provided that for these procurements:

(1) No less than three written quotes shall be obtained for procurements of \$ to less than \$ ; provided further that the department may instead require no less than two written quotes for procurements of \$ to less than \$ for fresh local agricultural products and 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-level geographic preference for locally sourced products  
16 when procuring 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



(2) The department may award contracts for locally sourced products if the cost is no more than fifteen per cent higher than the lowest-priced out-of-state option; provided that justification for the selection is documented.

(c) For the purposes of this section:

"Fresh local agricultural products" has the same meaning as defined in section 302A-405.6.

"Local value-added processed, agricultural, or food products" has the same meaning as defined in section 302A-405.6.

"Locally sourced products" has the same meaning as defined in section 302A-405.6."

SECTION 2. Section 103D-104.5, Hawaii Revised Statutes, is amended to read as follows:

**"[~~§~~103D-104.5~~]~~ Agricultural products subject to this chapter~~[-]; exemptions.~~ [The] (a) Except as provided in subsection (b), the following agricultural products shall be subject to this chapter:**

(1) Fresh meats and produce; and

(2) Animals and plants.



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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