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## SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF NO-BID CONTRACTS  
ISSUED BY STATE AND COUNTY AGENCIES UNDER PROCLAMATIONS  
DECLARING STATES OF EMERGENCY DURING THE SIX-YEAR PERIOD  
BETWEEN JANUARY 1, 2020, AND DECEMBER 31, 2025.

1           WHEREAS, section 103D-307, Hawaii Revised Statutes,  
2 establishes a framework for emergency procurements, in which  
3 heads of purchasing agencies may obtain goods or services or  
4 contract for construction essential to meet an emergency, under  
5 certain conditions; and

6  
7           WHEREAS, in times of an emergency, the Governor or the  
8 Mayor of a county may declare the existence of a state of  
9 emergency by issuing of a proclamation pursuant to section  
10 127A-14, Hawaii Revised Statutes; and

11  
12           WHEREAS, section 127A-13, Hawaii Revised Statutes,  
13 establishes a mechanism to "[s]uspend any law that impedes or  
14 tends to impede or be detrimental to the expeditious and  
15 efficient execution of, or to conflict with, emergency  
16 functions, including laws that . . . specifically are made  
17 applicable to emergency personnel"; and

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19           WHEREAS, the suspension of provisions of the Hawaii Public  
20 Procurement Code pursuant to chapter 103D, Hawaii Revised  
21 Statutes, during a state of emergency could allow for no-bid  
22 contracts during the period in which a state of emergency is in  
23 effect; and

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25           WHEREAS, however, the suspension of provisions of the  
26 Hawaii Public Procurement Code does not also suspend the  
27 responsibility of state and county agencies to exercise prudence  
28 with and take accountability for public funds; and

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1           WHEREAS, there may be inconsistencies between agencies in  
2 how no-bid contracts are entered into during states of  
3 emergency; and  
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5           WHEREAS, the terms of certain public contracts entered into  
6 between the National Kidney Foundation of Hawaii and the City  
7 and County of Honolulu and other agencies during the Coronavirus  
8 Disease 2019 (COVID-19) pandemic have raised questions regarding  
9 the use of public moneys during states of emergency; and  
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11           WHEREAS, an assessment of no-bid contracts over the last  
12 six years would provide information necessary to identify  
13 essential reforms to emergency procurement laws; now, therefore,  
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15           BE IT RESOLVED by the Senate of the Thirty-third  
16 Legislature of the State of Hawaii, Regular Session of 2026, the  
17 House of Representatives concurring, that the Auditor is  
18 requested to conduct an audit of no-bid contracts issued by  
19 state and county agencies under proclamations declaring states  
20 of emergency during the six-year period between January 1, 2020,  
21 and December 31, 2025; and  
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23           BE IT FURTHER RESOLVED that the Auditor is requested to  
24 review the justifications and standards used by state and county  
25 agencies to issue no-bid contracts; and  
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27           BE IT FURTHER RESOLVED that the Auditor is requested to  
28 review the standards and justifications used for vendor  
29 selections, what price valuations were used to determine that  
30 contracts were appropriately priced, and any other  
31 accountability standards used to evaluate the contracts; and  
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33           BE IT FURTHER RESOLVED that the Auditor is requested to  
34 submit a report of its findings and recommendations, including  
35 any proposed legislation, to the Legislature no later than  
36 twenty days prior to the convening of the Regular Session of  
37 2027; and  
38



S.C.R. NO. 74

1 BE IT FURTHER RESOLVED that a certified copy of this  
2 Concurrent Resolution be transmitted to the Auditor.

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OFFERED BY:

  
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