

ACT 262

S.B. NO. 383

A Bill for an Act Relating to Small Purchases.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that escalating costs of goods over the years, particularly during the COVID-19 pandemic, have created numerous difficulties regarding small purchase procurement. The legislature further finds that the frequency of earthquakes on Hawaii island, an indicator of a future potentially devastating volcanic eruption that could impact residential and commercial areas, as well as the devastation from the tragic 2023 Maui wildfires, emphasize the inescapable need to address issues with small purchase procurements to facilitate more efficient disaster recovery efforts.

Accordingly, the purpose of this Act is to:

- (1) Increase the minimum amount for purchases constituting small purchase procurements that are subject to an electronic system, from \$25,000 to \$50,000; and
- (2) Require the state procurement office to submit a report to the legislature on the efficacy of the increased minimum small purchase procurement amounts.

SECTION 2. Section 103D-305, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Procurements of [~~\$25,000~~] \$50,000 to less than \$250,000 shall be made in accordance with small purchase procedures; provided that [~~such~~] these small purchase procurements shall be conducted through an electronic system [~~shall be required~~].”

SECTION 3. No later than twenty days prior to the convening of the regular session of 2026, the state procurement office shall submit to the legislature a report of its findings and recommendations, including any proposed leg-

isolation, on the efficacy of the amendment to section 103D-305, Hawaii Revised Statutes, made by section 2 of this Act.

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved July 1, 2025.)