
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103D-203, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The chief procurement officer for each of the
4 following state entities shall be:

5 (1) The judiciary--the administrative director of the
6 courts;

7 (2) The senate--the president of the senate;

8 (3) The house of representatives--the speaker of the house
9 of representatives;

10 (4) The office of Hawaiian affairs--the chairperson of the
11 board;

12 (5) The University of Hawaii--the president of the
13 University of Hawaii;

14 (6) The department of education, excluding the Hawaii
15 public library system--the superintendent of
16 education; [~~and~~]



1 (7) The Hawaii health systems corporation--the chief
2 executive officer of the Hawaii health systems
3 corporation; and

4 ~~[-(7)]~~ (8) The remaining departments of the executive branch
5 of the State and all governmental bodies
6 administratively attached to them--the administrator
7 of the state procurement office of the department of
8 accounting and general services."

9 SECTION 2. Section 103D-305, Hawaii Revised Statutes, is
10 amended to read as follows:

11 **"§103D-305 Small purchases; prohibition against parceling.**

12 (a) Procurements of less than [~~\$25,000~~] \$50,000 for goods,
13 services, or construction shall be made in accordance with
14 procedures set forth in rules adopted by the policy board that
15 are designed to ensure administrative simplicity and as much
16 competition as is practicable; provided that multiple
17 expenditures shall not be created at the inception of a
18 transaction or project so as to evade the requirements of this
19 chapter; and provided further that procurement requirements
20 shall not be artificially divided or parceled so as to
21 constitute a small purchase under this section.



1 (b) Procurements of \$25,000 to less than \$50,000 shall be
2 made in accordance with small purchase procedures; provided that
3 small purchase procurements through an electronic system shall
4 be required after the policy board has adopted rules for
5 electronic procurement and provided training to the affected
6 agency."

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 Statutory material to be repealed is bracketed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 upon approval;
10 provided that section 2(b) shall take effect on July 1, 2007 or
11 upon the adoption of rules issued by the policy board for all
12 agencies subject to Chapter 103D, whichever occurs first. The
13 policy board shall immediately inform the revisor of statutes
14 upon the adoption of such rules.



Report Title:

Procurement Code; Hawaii Health Systems Corporation

Description:

Gives the Hawaii Health Systems Corporation (HHSC) more autonomy regarding procurement matters by designating the chief executive officer of HHSC as the chief procurement officer. Raises the amount for which a purchase may qualify as a small purchase from \$25,000 to less than \$50,000. (CD1)

