

JAN 25 2006

S.B. NO. 2897

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# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1           SECTION 1. The purpose of this Act is to raise the small  
2 purchases threshold from \$25,000 to \$50,000, which would put the  
3 amount more congruent with the reality of the costs of goods,  
4 services, and construction.

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

7           "**§103D-305 Small purchases; prohibition against parceling.**  
8 Procurements of less than [~~\$25,000~~] \$50,000 for goods, services,  
9 or construction shall be made in accordance with procedures set  
10 forth in rules adopted by the policy board that are designed to  
11 ensure administrative simplicity and as much competition as is  
12 practicable; provided that multiple expenditures shall not be  
13 created at the inception of a transaction or project so as to  
14 evade the requirements of this chapter; and provided further  
15 that procurement requirements shall not be artificially divided  
16 or parceled so as to constitute a small purchase under this  
17 section."



1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval.  
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**SB. NO. 2097**

**Report Title:**

Procurement Code

**Description:**

Raises small purchases limit from \$25,000 to \$50,000.

