

---

---

## A BILL FOR AN ACT

RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE.

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

1 SECTION 1. Section 103D-305, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§103D-305 Small purchases; prohibition against parceling.

4 (a) Procurement of less than \$50,000 for goods, services, or  
5 construction, except as provided in subsection (c), shall be  
6 made in accordance with procedures set forth in rules adopted by  
7 the policy board that are designed to ensure administrative  
8 simplicity and as much competition as is practicable; provided  
9 that ~~[multiple]~~:

10 (1) Multiple expenditures shall not be created at the  
11 inception of a transaction or project so as to evade  
12 the requirements of this chapter; and ~~[provided~~  
13 ~~further that procurement]~~

14 (2) Procurement requirements shall not be artificially  
15 divided or parceled so as to constitute a small  
16 purchase under this section.

17 (b) Procurements of \$25,000 to less than \$50,000 shall be  
18 made in accordance with small purchase procedures; provided that



1 small purchase procurements through an electronic system shall  
2 be required after the policy board has adopted rules for  
3 electronic procurement and provided training to the affected  
4 agency.

5 (c) Procurements of less than \$50,000 for construction  
6 drilling work and soil testing shall be made by competitive  
7 sealed bid; provided that:

8 (1) Notwithstanding subsection (b), the bid request shall  
9 be advertised to the public on the purchasing agency's  
10 website; and

11 (2) The bid for drilling and soil testing shall not be  
12 combined with a bid for the engineering work on the  
13 same project."

14 SECTION 2. New statutory material is underscored.

15 SECTION 3. This Act shall take effect upon its approval.

16

INTRODUCED BY: \_\_\_\_\_



JAN 23 2008



**Report Title:**

Hawaii Public Procurement Code; Small Purchases; Construction

**Description:**

Requires state and county agencies to use competitive bidding for small purchase construction contracts of less than \$50,000 for drilling and soil testing.

