
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 PART I

2 SECTION 1. Chapter 103D, Hawaii Revised Statutes, is
3 amended by adding a new section to part III to be appropriately
4 designated and to read as follows:

5 "§103D- Contract awards; contract formation.

6 Notwithstanding any other law to the contrary, in any contract
7 to be awarded under section 103D-302, 103D-303, 103D-304, 103D-
8 305, 103D-306, or 103D-307:

- 9 (1) The award shall be made within forty-five days of the
10 initial request for proposals but in no case later
11 than fifteen days after the deadline for proposals;
- 12 (2) A contract shall be deemed effective ten days after
13 the notice of the award;
- 14 (3) The solicitation, offer, bid, or proposal and the
15 notice of award shall constitute the entire contract
16 and agreement between the governmental body and the
17 contractor; and



1 expands the discounting possibilities by pitting two or more
2 resellers against each other in a competitive environment; in
3 most cases ensuring additional discounts are offered by the
4 resellers to secure the task order award. Additionally, as
5 these selected reseller agents are usually local firms, WSCA
6 customers receive better service than if working directly with a
7 manufacturer that has little or no local presence. The majority
8 of states with WSCA agreements use reseller agents.

9 In the past, Hawaii used reseller agents, but currently the
10 state procurement office does not allow reseller agents to
11 participate under the WSCA contracts. This change has a greater
12 impact on the Hawaii economy than probably any other region,
13 particularly Hawaii's small business community. The use of
14 reseller agents will benefit Hawaii's economy with reduced
15 acquisition costs through increased task orders, reduced
16 shipping charges for deliveries from local resellers, increased
17 hiring of local sales support, and increased tax revenue for
18 Hawaii.

19 The purpose of this part is to implement recommendations of
20 the technology caucus work group by requiring the state
21 procurement office to authorize reseller agreements in
22 multi-state contracting agreements.



1 SECTION 3. Chapter 103D, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§103D- Reseller agreements. The state procurement
5 office shall authorize reseller agreements as part of any multi-
6 state contracting agreement."

7 PART III

8 SECTION 4. Section 103D-906, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "[+] §103D-906 [+] Preference for Hawaii small businesses [+
11 ~~set asides, use as subcontractors~~]. (a) The policy board shall
12 adopt rules to promote the growth and development of Hawaii
13 small businesses that shall include [+

14 ~~(1) Set asides for small businesses in appropriate~~
15 ~~classifications of requirements suitable to~~
16 ~~performance by small businesses; and~~

17 ~~(2) Criteria designed to encourage the use of small~~
18 ~~businesses as subcontractors on large contracts.]~~

19 a five per cent price preference.

20 (b) As used in this section "Hawaii small business" means
21 a small business as defined in section 103D-901, having:



- 1 (1) Its principal place of business or ancillary
2 headquarters located within the state; and
3 (2) Not less than thirty-five per cent of its employees
4 residing within the state."

PART IV

6 SECTION 5. If any provision of this Act, or the
7 application thereof to any person or circumstance is held
8 invalid, the invalidity does not affect other provisions or
9 applications of the Act, which can be given effect without the
10 invalid provision or application, and to this end the provisions
11 of this Act are severable.

12 SECTION 6. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 7. This Act shall take effect upon its approval.



Report Title:

Procurement

Description:

Amends the Hawaii public procurement code to set time limits or awards in the request for proposal process, make public contracts effective as of the notice of the award, specify that the solicitation, offer, bid, or proposal and the award notice constitute the entire contract, and provide that a subsequent written and executed contract is not required. Requires the State Procurement Office to authorize reseller agreements in multi-state contracting agreements. Requires the Procurement Policy Board to adopt rules to promote Hawaii businesses.

(HB2133 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

