
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. The legislature finds that in this period of
3 high economic turmoil, procedural changes are necessary to
4 enable the State to achieve a quick recovery and to provide
5 effective economic stimulation. The legislature further finds
6 that Hawaii's public procurement process is inefficient and
7 antiquated. Procedures require protracted periods of time
8 between each procurement step. Currently, the awarding of a
9 contract is subject to prolonged review, thereby preventing
10 government projects from proceeding in a timely manner.

11 Senate Concurrent Resolution No. 132, S.D. 1, regular
12 session of 2009, established a task force to determine the
13 economic contributions of the construction industry in Hawaii.
14 As directed in the concurrent resolution, the task force has
15 developed a series of proposals for state actions to preserve
16 and create new jobs in the local construction industry. This
17 part implements one of the task force's proposals.



1 Accordingly, the purpose of this part is to amend
2 chapter 103D, Hawaii Revised Statutes, to require certain state
3 and county agencies to award public contracts on bid proposals
4 within thirty days of the bid opening date. In doing so,
5 however, it is also the purpose of this part to strike a balance
6 between expedited procedures and necessary accountability and
7 transparency.

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

11 "§103D- Contract award deadlines. Notwithstanding any
12 other statute or administrative rule relating to procurement,
13 contracts for projects of the department of Hawaiian home lands
14 and department of transportation that are awarded after bidding
15 shall be awarded within thirty days of the bid opening date;
16 provided that:

- 17 (1) An extension, not exceeding 14 business days, shall be
18 permitted if it will provide the opportunity for
19 further negotiations with the lowest responsible
20 bidder relating to considerations that could result in
21 benefits to the public;



- 1 (2) Contracts for design professional services furnished
- 2 by persons licensed under chapter 464 shall be awarded
- 3 within forty-five days of the bid opening date;
- 4 (3) The award deadline shall not apply if the lowest
- 5 responsible bid exceeds available funding; and
- 6 (4) The award deadline shall not apply to design-build
- 7 contracts.

8 For the purposes of this subsection "design-build" means
 9 the combining of design and construction into a single request
 10 for proposal."

PART II

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

15 "§103D- Gifts to the State not procurement contracts. A
 16 gift to the State shall not be deemed to constitute a
 17 procurement contract and shall not require a procurement
 18 contract to be accepted by the State as a gift; provided that
 19 the agency accepting a gift shall promptly report the gift to
 20 the state procurement office.



Report Title:

Procurement; 30-Day Contract Award Deadline; Gifts to the State

Description:

Requires contracts for DHHL and DOT projects to be awarded within 30 days of the bid opening date, subject to sufficient available funding and an extension for further negotiations to benefit the public. Requires DHHL and DOT contracts for design professional services to be awarded within 45 days of the bid opening date. Specifies that gifts made to the State shall not constitute or require a procurement contract. Sunsets on July 1, 2012. (HB2441 CD1)

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

