
A BILL FOR AN ACT

RELATING TO PUBLIC PROCUREMENT.

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

1 SECTION 1. Section 103D-101, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+]§103D-101[+]~~ ~~[Requirement]~~ Requirements of [good
4 ~~faith.] ethical public procurement.~~ (a) All public employees
5 shall conduct and participate in public procurement in an
6 ethical manner. In conducting and participating in procurement,
7 public employees shall:

- 8 (1) Act as a fiduciary and trustee of public moneys;
9 (2) Remain independent from any person, including any
10 actual or prospective bidder, offeror, contractor, or
11 business;
12 (3) Act only in the public interest;
13 (4) Abide by the statutes and administrative rules
14 relating to public procurement;
15 (5) Identify and maximize efficiencies in the public
16 procurement process;
17 (6) Encourage economic competition by:



1 (A) Ensuring that all persons are afforded an equal
2 opportunity to compete in a fair and open
3 environment; and

4 (B) Researching innovative goods and services to meet
5 the public's needs;

6 (7) Avoid the intent and appearance of unethical behavior;

7 (8) Avoid social interactions with any person, including
8 any actual or prospective bidder, offeror, contractor,
9 business, or other interested parties during the
10 procurement process;

11 (9) Maintain confidentiality in a manner that ensures a
12 fair procurement process;

13 (10) Remain impartial in dealings with any person,
14 including any actual or prospective bidder, offeror,
15 contractor, business, or other interested parties; and

16 (11) Identify and eliminate any conflicts of interest.

17 (b) Any person, including any actual or prospective
18 bidder, offeror, contractor, or business taking part in the
19 conduct of public procurement, shall act in good faith to
20 practice purchasing ethics, and when applicable, display
21 business integrity as a responsible offeror through the public
22 procurement process, including but not limited to the following:



- 1 (1) Avoiding the intent and appearance of unethical
- 2 behavior or business practices;
- 3 (2) Refraining from any activity that would create the
- 4 appearance of impropriety or conflicts of personal
- 5 interest and the interests of the State or counties;
- 6 (3) Identifying and eliminate any conflicts of interest;
- 7 and
- 8 (4) Ensuring that all persons are afforded an equal
- 9 opportunity to compete in a fair and open environment.

10 (c) All parties involved in the negotiation, performance,
11 or administration of state contracts shall act in good faith."

12 SECTION 2. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on September 14,
15 2047.

16



Report Title:

Public Procurement; Ethics

Description:

Requires government purchasers and private entities offering goods and services for sale to government purchasers to follow ethical principles in matters relating to procurement.
Effective September 14, 2047. (SD1)

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