
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-305, Hawaii Revised Statutes, is
2 amended to read as follows:

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

4 (a) Procurements of less than \$100,000 for goods or services,
5 or \$250,000 for construction, except as provided in subsection
6 (d), shall be made in accordance with procedures set forth in
7 rules adopted by the policy board that are designed to ensure
8 administrative simplicity and as much competition as is
9 practicable; provided that multiple expenditures shall not be
10 created at the inception of a transaction or project so as to
11 evade the requirements of this chapter; and provided further
12 that procurement requirements shall not be artificially divided
13 or parceled so as to constitute a small purchase under this
14 section.

15 (b) Procurements of greater than \$50,000 for construction
16 under subsection (a) shall require security by a performance
17 bond delivered to the purchasing agency that is:

18 (1) In a form prescribed by the rules of the policy board;



1 (2) Executed by a surety company authorized to do business
2 in this State; and

3 (3) In an amount equal to one hundred per cent of the
4 price specified in the contract,
5 or shall otherwise be secured by a performance bond in a manner
6 satisfactory to the purchasing agency.

7 (c) Procurements of \$25,000 to less than \$100,000 shall be
8 made in accordance with small purchase procedures; provided that
9 small purchase procurements through an electronic system shall
10 be required after the policy board has adopted rules for
11 electronic procurement and provided training to the affected
12 agency.

13 (d) Construction procurements of less than \$50,000 to
14 contract for drilling work and soil testing shall be made by
15 competitive sealed bid; provided that the bid request shall be
16 advertised to the public on the department's website; and
17 provided further that the bid for drilling and soil testing
18 shall be separate from a bid for the engineering work on the
19 same project."

20 SECTION 2. New statutory material is underscored.

21 SECTION 3. This Act shall take effect upon its approval;
22 provided that the amendment made to section 103D-305, Hawaii



Report Title:

Public Procurement Code; Small Purchases; Construction

Description:

Requires competitive bidding on small purchases of construction contracts for drilling and soil testing.

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

