

NEIL ABERCROMBIE

GOV. MSG. NO. 1342

June 27, 2013

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Seventh State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 27, 2013, the following bill was signed into law:

HB1374 HD1 SD1 CD1

RELATING TO PROCUREMENT ACT 239 (13)

NEIL ABERCROMBIE Governor, State of Hawaii Approved by the Governor
JUN 2 7 2013

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HOUSE OF REPRESENTATIVES TWENTY-SEVENTH LEGISLATURE, 2013 STATE OF HAWAII ACT 239

H.B. NO. H.D. S.D.

D. 1

A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

SECTION 1. Th	e legislature	finds that	the procurement
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- 2 process is in need of reform so that taxpayers dollars are not
- 3 wasted. Remedial measures can cost taxpayers more money in the
- 4 long term. The usual principle of awarding contracts to the
- 5 lowest bidder may lead to substandard work, because contractors
- 6 may artificially lower bids to gain a contract, in spite of a
- 7 lack of qualifications or, even worse, a record of poor
- 8 performance in the past.
- 9 Therefore, the purpose of this Act is to allow procurement
- 10 officials the authority to choose the appropriate source
- 11 selection method to meet the circumstances of each procurement.
- 12 SECTION 2. Section 103D-301, Hawaii Revised Statutes, is
- 13 amended to read as follows:
- 14 "[+15103D-301[+] Methods of source selection. Unless
- 15 otherwise authorized by law, all contracts shall be awarded [by
- 16 competitive scaled bidding pursuant to [section 103D 302,
- 17 except as provided in: the following sections, as applicable:
- 18 (1) Section 103D-302 (Competitive sealed bids);

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1 [(1)] (2) Section 103D-303 (Competitive sealed proposals); 2 $[\frac{(2)}{(2)}]$ (3) Section 103D-304 (Professional services 3 procurement); $[\frac{(3)}{(3)}]$ (4) Section 103D-305 (Small purchases); 4 5 [(4)] (5) Section 103D-306 (Sole source procurement); and 6 [(5)] (6) Section 103D-307 (Emergency procurements)." 7 SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. 8 9 SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were 10 11 begun before its effective date. 12 SECTION 5. This Act shall take effect on July 1, 2013.

GOVERNOR OF THE STATE OF HAWAII

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APPROVED this 27 day of