
A BILL FOR AN ACT

RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE.

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 greater than \$50,000 for construction
16 under subsection (a) shall require security by performance and
17 payment bonds, pursuant to section 103D-324, delivered to the
18 procurement officer, that are:



- 1 (1) In a form prescribed by the rules of the policy board;
- 2 (2) Executed by a surety company authorized to do business
- 3 in this State; and
- 4 (3) In an amount equal to one hundred per cent of the
- 5 price specified in the contract,
- 6 or shall otherwise be secured by a performance bond in a manner
- 7 satisfactory to the procurement officer.

8 (c) Procurements of \$25,000 to less than \$250,000 shall be
9 made in accordance with small purchase procedures; provided that
10 such small purchase procurements through an electronic system
11 shall be required.

12 (d) Construction procurements of less than \$25,000 for
13 drilling work and soil testing shall be made by competitive
14 sealed bid and the invitation for bids shall be advertised to
15 the public on the department of accounting and general
16 services's website; provided that a bid for drilling work and
17 soil testing shall be separate from a bid for the engineering
18 work on the same project."

19 SECTION 2. New statutory material is underscored.



1 SECTION 3. This Act shall take effect on July 1, 2013.

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INTRODUCED BY:

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JAN 24 2013



H.B. NO. 1385

Report Title:

Procurement Code; Small Purchases; Drilling Work; Soil Testing

Description:

Requires that all construction procurements of less than \$25,000 for drilling work or soil testing shall be made by competitive sealed bidding, and that the invitation for bids is published on the DAGS website. Establishes that bids for such work shall be separate from bids for engineering work on the same project. Effective July 1, 2013.

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

