
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103D-901, Hawaii Revised Statutes, is
2 amended by adding five new definitions to be appropriately
3 inserted and to read as follows:

4 "Service-connected disability" means a disability incurred
5 in the line of duty during active military, naval, or air
6 service as described in title 38 United States Code section
7 101(16).

8 "Service-disabled veteran" means a veteran who has been
9 found to have a service-connected disability determined by the
10 United States Department of Veterans Affairs or the United
11 States Department of Defense.

12 "Service-disabled veteran-owned small business" means a
13 small business:

14 (1) Where at least fifty-one per cent of the small
15 business is owned by one or more service-disabled
16 veterans living in the State, or in the case of a
17 corporation, at least fifty-one per cent of the stock



1 of the corporation is owned by one or more service-
2 disabled veterans living in the State;

3 (2) Whose home office is located in the State; and

4 (3) For which paragraphs (1) and (2) are factually
5 verified annually by the chief procurement officer.

6 "Veteran" means a person who has:

7 (1) Been a member of the armed forces of the United States
8 or, while a citizen of the United States, was a member
9 of the armed forces of allies of the United States in
10 time of hostilities with a foreign country; and

11 (2) Served under one or more of the following conditions:

12 (A) Served a total of at least six months;

13 (B) Served for the duration of hostilities regardless
14 of the length of the engagement;

15 (C) Was discharged on the basis of hardship; or

16 (D) Was released from active duty because of a
17 service connected disability and was discharged
18 under honorable conditions.

19 "Veteran-owned small business" means a small business:

20 (1) Where at least fifty-one per cent of the small
21 business is owned by one or more veterans living in
22 the State or, in the case of a corporation, at least



1 fifty-one per cent of the stock of the corporation is
2 owned by one or more veterans living in the State;
3 (2) whose home office is located in the State; and
4 (3) For which paragraphs (1) and (2) are factually
5 verified annually by the chief procurement officer."

6 SECTION 2. Section 103D-903, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§103D-903 Duties of the chief procurement officer.** (a)
9 The chief procurement officer may coordinate the implementation
10 of this part with any similar programs offered by the department
11 of business, economic development, and tourism or any other
12 governmental body.

13 (b) The chief procurement officer may provide staff to
14 provide service to designated state agencies to assist small
15 businesses in learning how to do business with the State.

16 (c) In carrying out this part, the chief procurement
17 officer may:

18 (1) Give special publicity to procurement procedures and
19 issue special publications designed to assist small
20 businesses in learning how to do business with the
21 State;



- 1 (2) Compile, maintain, and make available source lists of
- 2 small businesses for the purpose of encouraging
- 3 procurement from small business;
- 4 (3) Include small businesses on solicitation mailing
- 5 lists;
- 6 (4) Develop and conduct training programs to assist small
- 7 businesses;
- 8 (5) Reduce the level or change the types of bonding
- 9 normally required or accept alternative forms of
- 10 security;
- 11 (6) Make special provisions for progress payments;
- 12 (7) Establish the goal that twenty per cent of the State's
- 13 annual purchasing expenditure be awarded to small
- 14 business; provided that a combined total of not less
- 15 than per cent of the twenty per cent set aside
- 16 by this paragraph shall be awarded to veteran-owned
- 17 and service-disabled veteran-owned small businesses;
- 18 and
- 19 (8) Impose mandatory evaluation criteria designed to
- 20 encourage the use of small business as subcontractors
- 21 on large contracts not susceptible to performance by
- 22 small business.



1 Nothing in this section shall limit, restrict, or preclude a
2 veteran-owned small business or service-disabled veteran-owned
3 small business from qualifying for any other preferences, set-
4 asides, or criteria that may apply under section 103D-906, or
5 any other provision of this chapter, and this section shall
6 operate as a further preference when a veteran-owned small
7 business or service-disabled veteran-owned small business
8 qualifies for more than one such preference."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Hawaii Public Procurement Code; Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses; Set Aside

Description:

Requires that a percentage of the annual purchasing expenditure of the State set-aside for small businesses be awarded to veteran-owned and service-disabled veteran-owned small businesses, in addition to any other preferences provided under the Procurement Code for such businesses. Effective July 1, 2050. (HB166 HD2)

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

