

JAN 17 2014

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# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

- 1           SECTION 1. Section 103-53, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:
- 3           "(e) This section shall not apply to:
- 4           (1) Any procurement of less than [~~\$25,000~~] \$50,000 or that  
5 is considered a small purchase under section 103D-305  
6 and any state or county department contract of less  
7 than [~~\$25,000;~~] \$50,000;
- 8           (2) Emergency purchases for the procurement of goods,  
9 services, or construction under section 103D-307,  
10 disaster relief under chapter 127, or a civil defense  
11 emergency under chapter 128;
- 12           (3) Grants and subsidies disbursed by a state agency  
13 pursuant to chapter 42F or in accordance with  
14 standards provided by law as required by article VII,  
15 section 4, of the state constitution, or made by the  
16 counties pursuant to their respective charters or  
17 ordinances;
- 18           (4) Contracts or agreements between government agencies;



- 1           (5) Contracts or agreements to disburse funds:
  - 2                   (A) To make payments to or on behalf of public
  - 3                           officers and employees for salaries, fringe
  - 4                           benefits, professional fees, and reimbursements;
  - 5                   (B) To satisfy obligations required to be paid by
  - 6                           law, including fees, judgments, settlements, and
  - 7                           other payments for resolving claims;
  - 8                   (C) To make refunds or return funds held by the State
  - 9                           or county as trustee, custodian, or bailee;
  - 10                  (D) For entitlement programs, including public
  - 11                           assistance, unemployment, and workers'
  - 12                           compensation programs, established by state or
  - 13                           federal law;
  - 14                  (E) For deposit, investment, or safekeeping,
  - 15                           including sums to pay expenses related to their
  - 16                           deposit investment, or safekeeping;
  - 17                  (F) For loans under government-administered loan
  - 18                           programs; or
  - 19                  (G) To make periodic, recurring payments for utility
  - 20                           services;
- 21           (6) Rent for the use or occupation of the premises and
- 22                   facilities at Aloha Stadium, the convention center, or



1 any other state or county large spectator events  
2 facility; and

3 (7) Contracts or agreements of the Hawaii health systems  
4 corporation and its regional system boards."

5 SECTION 2. Section 103D-305, Hawaii Revised Statutes, is  
6 amended by amending subsection (c) to read as follows:

7 "(c) Procurements of [~~\$25,000~~] \$50,000 to less than  
8 \$250,000 shall be made in accordance with small purchase  
9 procedures; provided that such small purchase procurements  
10 through an electronic system shall be required."

11 SECTION 3. Section 103D-328, Hawaii Revised Statutes, is  
12 amended by amending subsection (d) to read as follows:

13 "(d) This section shall not apply to any contract of less  
14 than [~~\$25,000~~] \$50,000 or any contract entered into pursuant to  
15 section 103D-305 or 103D-307."

16 SECTION 4. Section 103F-405, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "[~~f~~]**\$103F-405**[~~f~~] **Small purchases.** Purchases of health and  
19 human services of less than [~~\$25,000~~] \$50,000 are small  
20 purchases, and shall be made in accordance with section 103D-305  
21 and rules adopted by the policy board to implement that  
22 section."



1 SECTION 5. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval.  
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INTRODUCED BY:

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**Report Title:**

Procurement; Small Purchases

**Description:**

Increases the maximum procurement amount that is subject to small purchase procedures from \$25,000 to \$50,000.

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

