

JAN 18 2013

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) The veteran served a total of at least six
13 months;

14 (B) The veteran served for the duration of
15 hostilities regardless of the length of the
16 engagement;

17 (C) The veteran was discharged on the basis of
18 hardship; or

19 (D) The veteran was released from active duty because
20 of a service connected disability and was
21 discharged under honorable conditions.

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



- 1 (1) Where at least fifty-one per cent of the small
2 business is owned by one or more veterans living in
3 the State or, in the case of a corporation, at least
4 fifty-one per cent of the stock of the corporation is
5 owned by one or more veterans living in the State;
6 (2) Whose home office is located in the State; and
7 (3) For which paragraphs (1) and (2) are factually
8 verified annually by the chief procurement officer."

9 SECTION 2. Section 103D-903, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) In carrying out this part, the chief procurement
12 officer may:

- 13 (1) Give special publicity to procurement procedures and
14 issue special publications designed to assist small
15 businesses in learning how to do business with the
16 State;
17 (2) Compile, maintain, and make available source lists of
18 small businesses for the purpose of encouraging
19 procurement from small business;
20 (3) Include small businesses on solicitation mailing
21 lists;



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

18 SECTION 3. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on July 1, 2013.

20

INTRODUCED BY: Will Engro



S.B. NO. 545

Ronald B. ...
[Signature]



Report Title:

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

Description:

Requires that at least 3% of the 20% set-aside for small businesses shall be awarded to veteran-owned and service-disabled veteran-owned small businesses.

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