
A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. Section 103D-709, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) The party initiating a proceeding falling within
4 subsection (d) shall pay to the department of commerce and
5 consumer affairs a cash or protest bond in the amount of:

6 (1) \$1,000 for a contract with an estimated value of less
7 than \$500,000;

8 (2) \$2,000 for a contract with an estimated value of
9 \$500,000 or more, but less than \$1,000,000; or

10 (3) [~~One-half~~] Five per cent of the estimated value of the
11 contract if the estimated value of the contract is
12 \$1,000,000 or more; provided that in no event shall
13 the required amount of the cash or protest bond be
14 more than [~~\$10,000.~~] \$10,000,000.

15 If the initiating party prevails in the administrative
16 proceeding, the cash or protest bond shall be returned to that
17 party. If the initiating party does not prevail in the



1 administrative proceeding, the cash or protest bond shall be
2 deposited into the general fund. The prevailing party shall be
3 entitled to attorneys' fees and costs."

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 Statutory material to be repealed is bracketed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

6 SECTION 3. This Act shall take effect on January 1, 2050.



Report Title:

Procurement; Protest Bond; Maximum

Description:

Establishes that an initiating party must pay cash or protest bond equal to five per cent of the estimated value of the contract if the estimated value of the contract is \$1,000,000 or more. Establishes a \$10,000,000 maximum limit on a cash or protest bond that must be posted for a procurement award protest. Establishes that the prevailing party in an administrative protest hearing is entitled to attorneys' fees and costs. Takes effect on 1/1/2050. (SD1)

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