

S.B. NO. 2736

JAN 24 2018

A BILL FOR AN ACT

RELATING TO PROCUREMENT OF SMALL PURCHASE OF SERVICE.

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

1 SECTION 1. The purpose of this Act is to authorize the
2 procurement policy board to adopt administrative rules pursuant
3 to section 103F-405, Hawaii Revised Statutes, to provide
4 purchasing agencies an expedited way to competitively procure
5 health and human services of less than \$25,000. Currently, the
6 statutes require purchasing agencies to follow the small
7 purchase procedures in accordance with section 103D-305, Hawaii
8 Revised Statutes. Over the years, the small purchase limit and
9 procurement process for chapter 103D, Hawaii Revised Statutes,
10 changed. The resulting disparity warrants an amendment to
11 chapter 103F, Hawaii Revised Statutes, to establish its own
12 small purchase procedures.

13 SECTION 2. Section 103F-405, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "[+]§103F-405[+] **Small purchases.** Purchases of health and
16 human services of less than \$25,000 are small purchases, and

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1 shall be made in accordance with [~~section 103D-305 and~~] rules
2 adopted by the policy board to implement [~~that~~] this section."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be "M. J. Murphy", written over a horizontal line.

8

BY REQUEST

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Report Title:

Procurement; Small Purchase of Service

Description:

Authorizes rules for small purchase procedures for the purchase of health and human services under chapter 103F, Hawaii Revised Statutes. Effective upon approval.

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

JUSTIFICATION SHEET

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DEPARTMENT: Accounting and General Services.

TITLE: A BILL FOR AN ACT RELATING TO PROCUREMENT OF SMALL PURCHASE OF SERVICE.

PURPOSE: The proposed revision allows the chapter to stand on its own by deleting the reference to follow section 103D-305, Hawaii Revised Statutes (HRS).

MEANS: Amend section 103F-405, HRS.

JUSTIFICATION: This section was established to provide purchasing agencies an expedited way to competitively procure health and human services less than \$25,000. The statute currently requires purchasing agencies to follow the small purchase procedures in accordance with section 103D-305, HRS. Over the years, the small purchase limit and the procurement process for chapter 103D, HRS, changed. The resulting disparity warrants separate small purchase procedures through administrative rules authorized in chapter 103F, HRS.

Impact on the public: Clarifies the small purchase procedures specifically for procurement of health and human services.

Impact on the department and other agencies: Clarifies the small purchase procedures specifically for procurement of health and human services.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

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OTHER AFFECTED
AGENCIES:

All agencies procuring health and human
services pursuant to chapter 103F, HRS.

EFFECTIVE DATE:

Upon approval.