
A BILL FOR AN ACT

RELATING TO AIRPORTS.

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

1 SECTION 1. Chapter 261, Hawaii Revised Statutes, is
2 amended by adding a new section to part I to be appropriately
3 designated and to read as follows:

4 "§261- Procurement; exemption. (a) The director may
5 establish rules pursuant to chapter 91 for the procurement of
6 goods, services, and construction by the airports division of
7 the department.

8 (b) Rules adopted under this section shall require the
9 department to:

10 (1) Establish a chief procurement officer position to
11 oversee a centralized office of procurement
12 professionals to conduct procurement;

13 (2) Maintain internal policies and procedures for the
14 timely and efficient procurement of goods and
15 services, including planning, engineering, and
16 construction services, to include post-award contract
17 management and oversight procedures, that are



- 1 consistent with the goals of public accountability and
2 public procurement practices;
- 3 (3) Publish the following on the website of the
4 department:
- 5 (A) Procurement policies; and
6 (B) All solicitations, including any bid openings and
7 additional solicitation documents;
- 8 (4) Implement and maintain an electronic procurement
9 system to ensure electronic posting, to include
10 requisition-to-check, contract management, and spend
11 analysis modules;
- 12 (5) Develop key performance indicators covering the
13 following four areas:
- 14 (A) Effective management and increased efficiency of
15 the procurement process;
- 16 (B) Contract management and supplier performance;
17 (C) Transparency, openness, and accountability of
18 procurement processes; and
- 19 (D) Professionalism of the procurement workforce;



- 1 (6) Develop a training and procurement delegation system;
- 2 (7) Award contracts for professional services furnished by
- 3 licensees under chapter 464 in accordance with
- 4 qualification-based selection; provided that
- 5 professional services may be procured by other means
- 6 in emergency situations; provided further that other
- 7 services may be procured using best value competitive
- 8 proposals and using, insofar as practical,
- 9 deliverables as a payment method and limiting use of
- 10 time and materials contracts;
- 11 (8) Prohibit cost plus percentage of cost type contracts;
- 12 (9) Insofar as practical and based on specifications
- 13 developed, solicit no fewer than three proposals for
- 14 each project;
- 15 (10) Consider quality, warranty, delivery, full lifecycle
- 16 costs, handover, surge, disaster preparedness, best-
- 17 value, and past performance in determining the most
- 18 advantageous proposal;
- 19 (11) Prohibit artificial division or parceling that would
- 20 avoid competitive bidding or competitive proposals;



1 (12) Implement a dispute resolution process for procurement
2 award and post-award contract actions; and
3 (13) In an invitation to bid for construction, specify that
4 all bids shall include the name of each person or firm
5 to be engaged by the bidder as a joint contractor or
6 subcontractor in the performance of the contract and
7 the nature and the scope of the work to be performed
8 by each; provided that other construction bids may be
9 accepted if acceptance is in the best interest of the
10 State and the value of the work to be performed by the
11 joint contractor or subcontractor is equal to or less
12 than one per cent of the total bid amount.

13 (c) Procurement of goods, services, and construction by
14 the airports division of the department pursuant to rules
15 adopted under this section shall be exempt from chapter 103D."

16 SECTION 2. This Act does not affect rights and duties that
17 matured, penalties that were incurred, and proceedings that were
18 begun before its effective date.

19 SECTION 3. New statutory material is underscored.



H.B. NO. 1091

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

2

INTRODUCED BY:

A handwritten signature in black ink, appearing to be "Mark A. ..." with a horizontal line underneath it.

JAN 23 2019



H.B. NO. 1091

Report Title:

DOT; Airports Division; Procurement; Exemption

Description:

Authorizes the Department of Transportation to exempt the application of the public procurement code to the Airports Division, subject to certain requirements.

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

