

JAN 24 2019

A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1 SECTION 1. The legislature finds that an increasing amount
2 of government contracts require the use of computers, a virtual
3 office, or online activity. The legislature further finds that
4 there is difficulty in verifying hours worked on computers for
5 government contracts. The purpose of this Act is to establish a
6 secure and transparent process to verify hours worked on
7 computers for government contracts to prevent abuse and
8 overbilling.

9 SECTION 2. Chapter 103D, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§103D- Automatic verification software. (a) This
13 section shall apply only to a contract by or on behalf of any
14 governmental body of the State for professional or technical
15 services in excess of \$100,000.

16 (b) A contract subject to this section shall require a
17 contractor to use software to verify that hours billed for work



1 under the contract that are performed on a computer are
2 legitimate. The contract shall specify that the governmental
3 body will not pay for hours worked on a computer unless those
4 hours are verifiable by the software or data collected by the
5 software. The software required under this section shall do the
6 following:

- 7 (1) Permit the governmental body or the auditor to have
8 real-time or retroactive access to data collected or
9 provided by the software;
- 10 (2) Automatically gather verification data of state-funded
11 activity by tracking total keystroke and mouse event
12 frequency and taking a screenshot at least once every
13 three minutes;
- 14 (3) Provide to the governmental body or the auditor
15 automated real-time cost status of each task;
- 16 (4) Provide to the governmental body professional
17 biographical information;
- 18 (5) Protect all private or confidential data pertaining to
19 individuals pursuant to applicable state and federal
20 law; and



1 (6) Permit the governmental body to provide immediate
2 feedback to the contractor on work in progress.

3 (c) The data collected by the software shall be considered
4 accounting records belonging to the contractor. The contractor
5 shall store, or contract with another to store, the data
6 collected by the software for a period of seven years and
7 provide access to the contracting governmental body or state
8 auditor upon request.

9 (d) The contractor shall not charge the governmental body
10 or the auditor for access to or use of the work verification
11 software, or for access to or retrievals of data collected by
12 the software.

13 (e) Software used under this section shall be procured by
14 the contractor from an independent entity."

15 SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY: 

By Request



S.B. NO. 1326

Report Title:

Procurement; Government Contracts; Automatic Verification
Software

Description:

Requires a contractor to procure and use software to verify hours billed and automatically gather verification data for work performed under a contract with a governmental body in excess of \$100,000.

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