# 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 under the State's
2	procurement code, an aggrieved party that submitted a bid for a
3	state project that was not awarded the bid may protest the bid
4	award. The legislature further finds that procurement protest
5	review process can be lengthy, causing project delays, thereby
6	increasing project costs that are borne by taxpayers. Thus, it
7	is imperative that the review process for protests are completed
8	in a timely manner to reduce the cost of state projects.
9	Establishing a deadline for bid protests to be reviewed and
10	resolved would expedite the protest review process and reduce
11	the cost associated with state-awarded projects.
12	The purpose of this Act is to:
13	(1) Require the chief procurement officer or designee to
14	address protests as expeditiously as possible;
15	(2) Create time limits to resolve protests to the awards
16	of competitive sealed proposal contracts and

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procurements of professional services, if the protest
is not resolved by mutual agreement; and
(3) Specify that a protest shall prevail if the protest is
not resolved within the established time limits.
SECTION 2. Section 103D-701, Hawaii Revised Statutes, is
amended by amending subsection (c) to read as follows:
"(c) The chief procurement officer or a designee shall
address any protest as expeditiously as possible. If the
protest is not resolved by mutual agreement, <u>for</u>
section 103D-303 or 103D-304 procurements, the chief procurement
officer or a designee shall [promptly] issue a written decision
[in writing] to uphold or deny the protest[.] within
calendar days of receipt of the protest, unless extenuating
circumstances require additional time. The decision shall:
(1) State the reasons for the action taken; and
(2) Inform the protestor of the protestor's right to an
administrative proceeding as provided in this part, if
applicable.
If the protest is not resolved by mutual agreement and the chief
procurement officer or a designee does not issue a written

- 1 decision to uphold or deny the protest, the protest shall
- 2 prevail."
- 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 Statutory material to be repealed is bracketed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 on May 6, 2137.

### Report Title:

Procurement Protests; Resolution; Chief Procurement Officer; Time Limit

### Description:

Requires the chief procurement officer or designee to address protests as expeditiously as possible. Creates time limits to resolve protests to the award of competitive sealed proposal contracts and procurements of professional services, if the protest is not resolved by mutual agreement. Specifies that a protest shall prevail if the protest is not resolved by mutual agreement and within the established time limits. Effective 5/6/2137. (HD2)

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