S.B. NO. 3372 S.D. 1 H.D. 2 C.D. 1

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A BILL FOR AN ACT

RELATING TO PUBLIC PROCUREMENT.

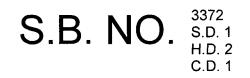
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1	. Section 103D-707, Hawaii Revised Statutes, is	
2	amended to read as follows:		
3	"§103D-70	7 Remedies after an award. (a) If after an	
4	award it is de	termined that a solicitation or award of a	
5	contract is in	violation of law, then:	
6	(1) If t	he person awarded the contract has not acted	
7	frau	dulently or in bad faith:	
8	(A)	The contract may be ratified and affirmed, or	
9		modified; provided that it is determined that	
10		doing so is in the best interests of the State;	
11		or	
12	• (B)	The contract may be terminated and the person	
13		awarded the contract shall be compensated for the	
14		actual expenses, other than attorney's fees,	
15		reasonably incurred under the contract, plus a	
16		reasonable profit, with such expenses and profit	
17		calculated not for the entire term of the	
18		contract but only to the point of termination;	
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1	(2)	If the person awarded the contract has acted	
2		fraudulently or in bad faith:	
3		(A) The contract may be declared null and void; or	
4		(B) The contract may be ratified and affirmed, or	
5		modified, if the action is in the best interests	
6		of the State, without prejudice to the State's	
7		rights to such damages as may be appropriate.	
8	(b)	If the award of the contract was made in violation of	
9	law, and	the award is rescinded and the contract, if executed,	
10	is terminated or declared null and void, then:		
11	(1)	For solicitations issued pursuant to section 103D-302,	
12		the contract may be awarded to the next lowest	
13		responsive and responsible bidder; provided that all	
14		prices remain the same as originally bid; or	
15	(2)	For solicitations issued pursuant to section 103D-303,	
16		the contract may be awarded to the next responsive and	
17		responsible offeror whose proposal is determined in	
18		writing to be the next most advantageous, taking into	
19		consideration the evaluation factors set forth in the	
20		solicitation; provided that all prices remain the same	
21		as originally offered."	





- 1 SECTION 2. New statutory material is underscored.
- 2 SECTION 3. This Act shall take effect on July 1, 2022.





Report Title:

Government Contracts; Procurement; Office of Administrative Hearings; Protests; Contract Solicitations; Contract Awards

Description:

Authorizes the office of administrative hearings, where it is determined that an award of a contract is in violation of law and the award is rescinded and the contract, if executed, is terminated or declared null and void, to award the government contract to the next lowest bidder or next responsible offeror, if certain conditions are met. (CD1)

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

