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# A BILL FOR AN ACT

RELATING TO DEPARTMENT OF EDUCATION PROCUREMENT.

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

1           SECTION 1. The legislature finds that career and technical  
2 education utilizes a wide range of activities and equipment to  
3 provide students with industry-based skills and makes academic  
4 content accessible to students in a hands-on context. Examples  
5 of career and technical education equipment include anatomy  
6 tables, flight simulators, and welding simulators. These types  
7 of equipment allow for student learning simulations that can be  
8 too expensive or not pragmatic for students to perform in a  
9 regular classroom setting. While students are encouraged to  
10 explore career options and acquire the technical skills and  
11 knowledge to work toward industry-recognized certifications and  
12 high-demand careers, without access to these types of equipment,  
13 students are severely limited in the degree to which they can  
14 acquire the technical skills and knowledge and would instead  
15 have to wait to gain those skills upon employment or in other  
16 secondary licensure programs after high school.



1 In the department of education's State of Hawaii public  
2 education 2023-2029 strategic plan, one of the stated goals is  
3 that all students graduate high school prepared for college and  
4 career success and community and civic engagement. One avenue  
5 to achieve this goal is through expanding work-based learning  
6 experiences that are often offered through career and technical  
7 education. As educational teaching tools have become more  
8 advanced, they are increasingly expensive to procure and can  
9 involve long lead times for delivery.

10 Despite the advantages and opportunities that these pieces  
11 of equipment can provide, the process to procure them can be  
12 lengthy and complicated and can deter schools from purchasing  
13 them. Schools are focused on providing learning opportunities  
14 to students, and the goal of this Act is to remove the  
15 administrative barriers that can prevent these learning  
16 opportunities from happening. Just as books and maps are  
17 exempted from the Hawaii public procurement code as they are not  
18 advantageous to the State to procure them by competitive means,  
19 so, too, should these types of equipment be exempt as  
20 procurement by competitive means is adversely affecting the



1 opportunities for students to acquire technical skills and  
2 knowledge.

3       The purpose of this Act is to exempt from the Hawaii public  
4 procurement code educational equipment, materials, and related  
5 training for direct student instruction in career and technical  
6 education programs in the department of education.

7       SECTION 2. Section 103D-102, Hawaii Revised Statutes, is  
8 amended by amending subsection (b) to read as follows:

9       "(b) Notwithstanding subsection (a), this chapter shall  
10 not apply to contracts by governmental bodies:

11       (1) Solicited or entered into before July 1, 1994, unless  
12       the parties agree to its application to a contract  
13       solicited or entered into prior to July 1, 1994;

14       (2) To disburse funds, irrespective of their source:

15       (A) For grants as defined in section 42F-101, made by  
16       the State in accordance with standards provided  
17       by law as required by article VII, section 4, of  
18       the state constitution; or by the counties  
19       pursuant to their respective charters or  
20       ordinances;



- 1 (B) To make payments to or on behalf of public
- 2 officers and employees for salaries, fringe
- 3 benefits, professional fees, or reimbursements;
- 4 (C) To satisfy obligations that the State is required
- 5 to pay by law, including paying fees, permanent
- 6 settlements, subsidies, or other claims, making
- 7 refunds, and returning funds held by the State as
- 8 trustee, custodian, or bailee;
- 9 (D) For entitlement programs, including public
- 10 assistance, unemployment, and workers'
- 11 compensation programs, established by state or
- 12 federal law;
- 13 (E) For dues and fees of organizations of which the
- 14 State or its officers and employees are members,
- 15 including the National Association of Governors,
- 16 the National Association of State and County
- 17 Governments, and the Multi-State Tax Commission;
- 18 (F) For deposit, investment, or safekeeping,
- 19 including expenses related to their deposit,
- 20 investment, or safekeeping;
- 21 (G) To governmental bodies of the State;



- 1 (H) As loans, under loan programs administered by a  
2 governmental body; and
- 3 (I) For contracts awarded in accordance with chapter  
4 103F;
- 5 (3) To procure goods, services, or construction from a  
6 governmental body other than the [University]  
7 university of Hawaii bookstores, from the federal  
8 government, or from another state or its political  
9 subdivision;
- 10 (4) To procure the following goods or services [~~which~~]  
11 that are available from multiple sources but for which  
12 procurement by competitive means is either not  
13 practicable or not advantageous to the State:
- 14 (A) Services of expert witnesses for potential and  
15 actual litigation of legal matters involving the  
16 State, its agencies, and its officers and  
17 employees, including administrative quasi-  
18 judicial proceedings;
- 19 (B) Works of art for museum or public display;
- 20 (C) Research and reference materials including books,  
21 maps, periodicals, and pamphlets, which are



- 1 published in print, video, audio, magnetic, or  
2 electronic form;
- 3 (D) Meats and foodstuffs for the Kalaupapa  
4 settlement;
- 5 (E) Opponents for athletic contests;
- 6 (F) Utility services whose rates or prices are fixed  
7 by regulatory processes or agencies;
- 8 (G) Performances, including entertainment, speeches,  
9 and cultural and artistic presentations;
- 10 (H) Goods and services for commercial resale by the  
11 State;
- 12 (I) Services of printers, rating agencies, support  
13 facilities, fiscal and paying agents, and  
14 registrars for the issuance and sale of the  
15 State's or counties' bonds;
- 16 (J) Services of attorneys employed or retained to  
17 advise, represent, or provide any other legal  
18 service to the State or any of its agencies, on  
19 matters arising under laws of another state or  
20 foreign country, or in an action brought in  
21 another state, federal, or foreign jurisdiction,



1 when substantially all legal services are  
2 expected to be performed outside [~~this~~] the  
3 State;

4 (K) Financing agreements under chapter 37D; [~~and~~]

5 (L) Educational equipment, materials, and related  
6 training purchased by the department of education  
7 for direct student instruction that are specific  
8 and unique to the career and technical education  
9 program as defined in section 302A-101, such as  
10 anatomy tables, flight simulators, and welding  
11 simulators; provided that the purchase shall not  
12 exceed \$500,000; and

13 [~~(L)~~] (M) Any other goods or services which the policy  
14 board determines by rules or the chief  
15 procurement officer determines in writing is  
16 available from multiple sources but for which  
17 procurement by competitive means is either not  
18 practicable or not advantageous to the State; and

19 (5) Which are specific procurements expressly exempt from  
20 any or all of the requirements of this chapter by:



1 (A) References in state or federal law to provisions  
2 of this chapter or a section of this chapter, or  
3 references to a particular requirement of this  
4 chapter; and

5 (B) Trade agreements, including the Uruguay Round  
6 General Agreement on Tariffs and Trade (GATT),  
7 which require certain non-construction and non-  
8 software development procurements by the  
9 comptroller to be conducted in accordance with  
10 its terms."

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

13 SECTION 4. This Act shall take effect on July 1, 3000;  
14 provided that on July 1, 2027, this Act shall be repealed and  
15 section 103D-102(b), Hawaii Revised Statutes, shall be reenacted  
16 in the form in which it read on the day prior to the effective  
17 date of this Act.





**Report Title:**

Department of Education; Procurement; Exemptions; Career and  
Technical Education

**Description:**

Exempts career and technical education goods and services  
purchases up to \$500,000 per purchase by the Department of  
Education from the State Procurement Code. Repeals on 7/1/2027.  
Effective 7/1/3000. (HD1)

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not legislation or evidence of legislative intent.*

