

---

---

# A BILL FOR AN ACT

RELATING TO PROCUREMENT FOR THE UNIVERSITY OF HAWAII.

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

1           SECTION 1. The legislature finds that Act 87, Session Laws  
2 of Hawaii 2013 (Act 87), was enacted to remove the president of  
3 the university of Hawaii's full authority to act as chief  
4 procurement officer for the university for all procurement  
5 contracts under chapter 103D, Hawaii Revised Statutes; transfer  
6 authority to the administrator of the state procurement office  
7 to act as chief procurement officer with respect to university  
8 construction contracts and university professional services  
9 contracts relating to construction; and address concerns about  
10 the prudent and transparent management of public funds  
11 appropriated by the legislature and expended by the university  
12 for construction. Following its enactment, Act 87 resulted in a  
13 bifurcated procurement system at the university wherein a  
14 different set of rules and procedures applied depending on  
15 whether the procurement involved construction or construction  
16 related professional services for university construction  
17 projects. Requirements for construction or professional



1 services furnished by licensees under chapter 464, Hawaii  
2 Revised Statutes, had to comply with the Hawaii public  
3 procurement code and procedures governing state executive branch  
4 agencies, while requirements for goods and services had to  
5 comply with the Hawaii public procurement code and university  
6 executive and administrative procedures governing university  
7 transactions.

8 In January 2016, the state procurement office issued its  
9 report to the legislature as required under Act 87, which  
10 documented the extensive oversight, reviews, and coordination  
11 between the university and the state procurement office on  
12 procurements involving construction and professional services  
13 related to construction. The conclusion of the state  
14 procurement office (SPO) in the report was that "based on SPO's  
15 review of 102 UH construction solicitations, UH's Administrative  
16 Procedures, and 14 post-award Site Visits, SPO finds that UH is  
17 conducting construction procurements in a compliant, efficient  
18 and transparent manner." In the report, the state procurement  
19 office further set forth minimal recommendations for improvement  
20 and mentioned several university specific procedures as  
21 "best-practices".



1 Act 42, Session Laws of Hawaii 2018 (Act 42), reinstated  
2 and restored full authority to the president of the university  
3 of Hawaii to act as the university's chief procurement officer  
4 for all procurement contracts under chapter 103D, Hawaii Revised  
5 Statutes. Act 42 also included a repeal and reenactment date of  
6 June 30, 2021. Following the conclusion of the 2021 regular  
7 session, the legislature found that on June 30, 2021, the  
8 provisions of Act 42 were repealed. During the 2021 first  
9 special session, the legislature passed Act 8, Special Session  
10 Laws of Hawaii 2021, which temporarily reenacted provisions  
11 amended by Act 42 for the purpose of extending, for three years,  
12 the authority of the president of the university of Hawaii to  
13 act as the university of Hawaii's chief procurement officer for  
14 all procurement contracts under chapter 103D, Hawaii Revised  
15 Statutes.

16 The legislature finds that it is a matter of statewide  
17 concern pursuant to article X, section 6, of the Hawaii State  
18 Constitution, that the dean of the college of engineering at the  
19 University of Hawaii simultaneously serves as the chief  
20 procurement officer for the university of Hawaii system.

21 Accordingly, the purpose of this Act is to:



1 (1) Designate the dean of the college of engineering at  
2 the university of Hawaii as the chief procurement  
3 officer for the university; and

4 (2) Extend the sunset date for the designation of the  
5 university of Hawaii chief procurement officer to  
6 June 30, 2027.

7 SECTION 2. Section 103D-203, Hawaii Revised Statutes, is  
8 amended by amending subsection (a) to read as follows:

9 "(a) The chief procurement officer for each of the  
10 following state entities shall be:

11 (1) The judiciary--the administrative director of the  
12 courts;

13 (2) The senate--the president of the senate;

14 (3) The house of representatives--the speaker of the house  
15 of representatives;

16 (4) The office of Hawaiian affairs--the chairperson of the  
17 board;

18 (5) The University of Hawaii--the [~~president of~~] dean of  
19 the college of engineering at the University of  
20 Hawaii;



1 (6) The department of education, excluding the Hawaii  
2 public library system--the superintendent of  
3 education;

4 (7) The Hawaii health systems corporation--the chief  
5 executive officer of the Hawaii health systems  
6 corporation; and

7 (8) The remaining departments of the executive branch of  
8 the State and all governmental bodies administratively  
9 attached to them--the administrator of the state  
10 procurement office of the department of accounting and  
11 general services."

12 SECTION 3. Act 8, Special Session Laws of Hawaii 2021, is  
13 amended by amending section 16 to read as follows:

14 "SECTION 16. This Act shall take effect upon its approval;  
15 provided that:

16 (1) Parts IV and V of this Act shall apply retroactively  
17 to any actions taken after June 30, 2021, by the  
18 [~~University~~] university of Hawaii pursuant to the  
19 sections of law amended by those parts;

20 (2) Section 10 shall be repealed on June 30, 2024; [~~and~~]



1 (3) [~~Sections~~] Section 12 [~~, 13, and 14~~] shall be repealed  
2 on June 30, [~~2024~~] 2027, and [~~sections~~] section  
3 103D-203(a), Hawaii Revised Statutes, shall be  
4 reenacted in the form in which it read on June 11,  
5 2018; and

6 (4) Sections 13 and 14 shall be repealed on June 30, 2024,  
7 and section 304A-2672, Hawaii Revised Statutes, shall  
8 be reenacted in the form in which [they] it read on  
9 June 11, 2018."

10 SECTION 4. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect on June 29, 3000;  
13 provided that the amendment made to section 103D-203, Hawaii  
14 Revised Statutes, by section 2 of this Act, shall not be  
15 repealed when that section is reenacted on June 30, 2027,  
16 pursuant to Act 8, Special Session Laws of Hawaii 2021, and  
17 section 3 of this Act.



**Report Title:**

UH; Procurement; Chief Procurement Officer

**Description:**

Designates the Dean of the College of Engineering at the University of Hawaii as the University of Hawaii's chief procurement officer. Sunsets 6/30/2027. Effective 6/29/3000. (SD2)

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

