S.B. NO. ³⁸³ 5.D. 2 H.D. 1

CD1

A BILL FOR AN ACT

RELATING TO SMALL PURCHASES.

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

1 SECTION 1. The legislature finds that escalating costs of 2 goods over the years, particularly during the COVID-19 pandemic, 3 have created numerous difficulties regarding small purchase 4 procurement. The legislature further finds that the frequency 5 of earthquakes on Hawaii island, an indicator of a future 6 potentially devastating volcanic eruption that could impact 7 residential and commercial areas, as well as the devastation 8 from the tragic 2023 Maui wildfires, emphasize the inescapable 9 need to address issues with small purchase procurements to 10 facilitate more efficient disaster recovery efforts.

11 Accordingly, the purpose of this Act is to:

12 (1) Increase the minimum amount for purchases constituting
13 small purchase procurements that are subject to an
14 electronic system, from \$25,000 to \$50,000; and
15 (2) Require the state procurement office to submit a
16 report to the legislature on the efficacy of the
17 increased minimum small purchase procurement amounts.

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S.B. NO. 383 S.D. 2 H.D. 1 C.D. 1

1	SECTION 2. Section 103D-305, Hawaii Revised Statutes, is
2	amended by amending subsection (c) to read as follows:
3	"(c) Procurements of $[\frac{25,000}{50,000}]$ to less than
4	\$250,000 shall be made in accordance with small purchase
5	procedures; provided that [such] these small purchase
6	procurements shall be conducted through an electronic system
7	[shall be required]."
8	SECTION 3. No later than twenty days prior to the
9	convening of the regular session of 2026, the state procurement
10	office shall submit to the legislature a report of its findings
11	and recommendations, including any proposed legislation, on the
12	efficacy of the amendment to section 103D-305, Hawaii Revised
13	Statutes, made by section 2 of this Act.
14	SECTION 4. This Act does not affect rights and duties that
15	matured, penalties that were incurred, and proceedings that were
16	begun before its effective date.
17	SECTION 5. Statutory material to be repealed is bracketed
18	and stricken. New statutory material is underscored.
19	SECTION 6. This Act shall take effect upon its approval.

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Report Title:

State Procurement Office; Public Procurement; Small Purchase Procurements; Minimum Threshold; Report

Description:

Increases the minimum amount for purchases constituting small purchase procurements that are subject to an electronic system, from \$25,000 to \$50,000. Requires a report to the Legislature. (CD1)

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

