

## ACT 283

S.B. NO. 2898

A Bill for an Act Relating to Procurement.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 103D-203, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

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

- (1) The judiciary—the administrative director of the courts;
- (2) The senate—the president of the senate;
- (3) The house of representatives—the speaker of the house of representatives;
- (4) The office of Hawaiian affairs—the chairperson of the board;
- (5) The University of Hawaii—the president of the University of Hawaii;
- (6) The department of education, excluding the Hawaii public library system—the superintendent of education; ~~[and]~~
- (7) The Hawaii health systems corporation—the chief executive officer of the Hawaii health systems corporation; and
- ~~(7)~~ (8) The remaining departments of the executive branch of the State and all governmental bodies administratively attached to them—the administrator of the state procurement office of the department of accounting and general services.”

SECTION 2. Section 103D-305, Hawaii Revised Statutes, is amended to read as follows:

**“§103D-305 Small purchases; prohibition against parceling.** (a) Procurements of less than ~~[\$25,000]~~ \$50,000 for goods, services, or construction shall be made in accordance with procedures set forth in rules adopted by the policy board that are designed to ensure administrative simplicity and as much competition as is practicable; provided that multiple expenditures shall not be created at the inception of a transaction or project so as to evade the requirements of this chapter; and provided further that procurement requirements shall not be artificially divided or parceled so as to constitute a small purchase under this section.

(b) Procurements of \$25,000 to less than \$50,000 shall be made in accordance with small purchase procedures; provided that small purchase procurements through an electronic system shall be required after the policy board has adopted rules for electronic procurement and provided training to the affected agency.”

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 Statutory material to be repealed is bracketed and stricken.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

**SECTION 4.** This Act shall take effect upon approval; provided that section 2(b)<sup>1</sup> shall take effect on July 1, 2007 or upon the adoption of rules issued by the policy board for all agencies subject to Chapter 103D, whichever occurs first. The policy board shall immediately inform the revisor of statutes upon the adoption of such rules.

(Approved July 7, 2006.)

**Note**

1. So in original.