

A Bill for an Act Relating to Procurement.

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

SECTION 1. The legislature finds that one of the guiding principles of the Hawaii public procurement code is transparency. The main purpose of transparency is to promote openness in the procurement process so that all stakeholders have access to information about procurement activities. The legislature further finds that transparency should not be limited to the award of a contract but should also apply to the cancellation of a contract solicitation. The legislature recognizes that bids and proposals may require considerable resources to prepare and submit, and that vendors have the right to know the reason that a solicitation was cancelled.

Accordingly, the purpose of this Act is to require agencies to publicly post the justification for cancelling an invitation for bids or request for proposals, for a minimum of ten business days, on a purchasing agency's website, government electronic notification system, or by any other means the procurement officer deems effective for publicizing the cancellation notice.

SECTION 2. Section 103D-308, Hawaii Revised Statutes, is amended to read as follows:

**“§103D-308 Cancellation of invitations for bids or requests for proposals.** An invitation for bids, a request for proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the governmental body ~~[which]~~ that issued the invitation, request, or other solicitation, in accordance with rules adopted by the policy board. The reasons therefor shall be made part of the contract file[-] and be publicly posted, for a minimum of ten business days, on a purchasing agency's website, government electronic notification system, or by any other means the procurement officer deems effective for publicizing the cancellation notice.”

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 Statutory material to be repealed is bracketed and stricken.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

SECTION 4. This Act shall take effect upon its approval.

(Approved June 27, 2022.)