

ACT 150

S.B. NO. 2070

A Bill for an Act Relating to the Department of Education.

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

SECTION 1. The legislature finds that career and technical education utilizes a wide range of activities and equipment to provide students with industry-based skills and makes academic content accessible to students in a hands-on context. Examples of career and technical education equipment include anatomy tables, flight simulators, and welding simulators. These types of equipment allow

for student learning simulations that can be too expensive or not pragmatic for students to perform in a regular classroom setting. While students are encouraged to explore career options and acquire the technical skills and knowledge to work toward industry-recognized certifications and high-demand careers, lack of access to these types of equipment are severely limiting students in the degree to which they can acquire these technical skills and knowledge, requiring them to wait to gain those skills upon employment or in other secondary licensure programs after high school.

The legislature further finds that in the department of education's State of Hawaii Public Education 2023-2029 Strategic Plan, one of the stated goals is that all students graduate high school prepared for college, career success, and community and civic engagement. One avenue to achieve this goal is through expanding work-based learning experiences that are often offered through career and technical education. As educational teaching tools have become more advanced, they have also become increasingly expensive to procure, with long lead times for delivery.

The legislature also finds that despite the advantages and opportunities that these pieces of equipment can provide, the process to procure them can be lengthy, complicated, and can deter schools from purchasing them. Books and maps are exempted from the Hawaii public procurement code as it is not advantageous to the State to procure these materials by competitive means. In a similar manner, career and technical education equipment should be exempt, as procurement by competitive means is adversely affecting the opportunities for students to acquire technical skills and knowledge.

The purpose of this Act is to exempt from the Hawaii public procurement code educational materials and related training for direct student instruction in career and technical education programs within the department of education, subject to certain conditions.

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

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

- (1) Solicited or entered into before July 1, 1994, unless the parties agree to its application to a contract solicited or entered into prior to July 1, 1994;
- (2) To disburse funds, irrespective of their source:
 - (A) For grants as defined in section 42F-101, made by the State in accordance with standards provided by law as required by article VII, section 4, of the state constitution; or by the counties pursuant to their respective charters or ordinances;
 - (B) To make payments to or on behalf of public officers and employees for salaries, fringe benefits, professional fees, or reimbursements;
 - (C) To satisfy obligations that the State is required to pay by law, including paying fees, permanent settlements, subsidies, or other claims, making refunds, and returning funds held by the State as trustee, custodian, or bailee;
 - (D) For entitlement programs, including public assistance, unemployment, and workers' compensation programs, established by state or federal law;
 - (E) For dues and fees of organizations of which the State or its officers and employees are members, including the National As-

- sociation of Governors, the National Association of State and County Governments, and the Multi-State Tax Commission;
- (F) For deposit, investment, or safekeeping, including expenses related to their deposit, investment, or safekeeping;
 - (G) To governmental bodies of the State;
 - (H) As loans, under loan programs administered by a governmental body; and
 - (I) For contracts awarded in accordance with chapter 103F;
- (3) To procure goods, services, or construction from a governmental body other than the [University] university of Hawaii bookstores, from the federal government, or from another state or its political subdivision;
- (4) To procure the following goods or services [~~which~~] that are available from multiple sources but for which procurement by competitive means is either not practicable or not advantageous to the State:
- (A) Services of expert witnesses for potential and actual litigation of legal matters involving the State, its agencies, and its officers and employees, including administrative quasi-judicial proceedings;
 - (B) Works of art for museum or public display;
 - (C) Research and reference materials including books, maps, periodicals, and pamphlets, which are published in print, video, audio, magnetic, or electronic form;
 - (D) Meats and foodstuffs for the Kalaupapa settlement;
 - (E) Opponents for athletic contests;
 - (F) Utility services whose rates or prices are fixed by regulatory processes or agencies;
 - (G) Performances, including entertainment, speeches, and cultural and artistic presentations;
 - (H) Goods and services for commercial resale by the State;
 - (I) Services of printers, rating agencies, support facilities, fiscal and paying agents, and registrars for the issuance and sale of the State's or counties' bonds;
 - (J) Services of attorneys employed or retained to advise, represent, or provide any other legal service to the State or any of its agencies, on matters arising under laws of another state or foreign country, or in an action brought in another state, federal, or foreign jurisdiction, when substantially all legal services are expected to be performed outside [~~this~~] the State;
 - (K) Financing agreements under chapter 37D; [~~and~~]
 - (L) Educational materials and related training for direct student instruction in career and technical education programs as defined in section 302A-101, including supplies, implements, tools, machinery, electronic devices, or other goods purchased by the department of education; provided that:
 - (i) The department of education shall acquire three written quotes for purchases that exceed \$100,000 made pursuant to this subparagraph;
 - (ii) Awards over \$2,500 shall comply with section 103D-310(c); and
 - (iii) Awards over \$500,000 shall be approved by the superintendent of education; and
 - (~~L~~) (M) Any other goods or services [~~which~~] that the policy board determines by rules or the chief procurement officer determines

in writing is available from multiple sources but for which procurement by competitive means is either not practicable or not advantageous to the State; and

- (5) ~~Which~~ That are specific procurements expressly exempt from any or all of the requirements of this chapter by:
- (A) References in state or federal law to provisions of this chapter or a section of this chapter, or references to a particular requirement of this chapter; and
 - (B) Trade agreements, including the Uruguay Round General Agreement on Tariffs and Trade (GATT) ~~which~~, that require certain non-construction and non-software development procurements by the comptroller to be conducted in accordance with its terms.”

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; provided that on July 1, 2027, this Act shall be repealed and section 103D-102(b), Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act.

(Approved July 1, 2024.)