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# A BILL FOR AN ACT

RELATING TO PUBLIC PROCUREMENT.

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

1           SECTION 1. Section 103D-101, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           " ~~[+] §103D-101 [+] [Requirement]~~ Requirements of ~~[good~~  
4 ~~faith.]~~ ethical public procurement. (a) All officers and  
5 employees of the State and each county shall conduct public  
6 procurement in an ethical manner. In conducting procurement, a  
7 government purchaser shall:

- 8           (1) Act as a fiduciary and trustee of public moneys;  
9           (2) Remain independent from vendors, bidders, prospective  
10           bidders, interested parties, and political figures;  
11           (3) Act only in the public interest;  
12           (4) Abide by the statutes and administrative rules  
13           relating to public procurement;  
14           (5) Identify and maximize efficiencies in the public  
15           procurement process;  
16           (6) Encourage economic competition by:  
17           (A) Dealing with vendors, bidders, and other  
18           interested parties at arm's length; and



- 1           (B) Researching innovative goods and services to meet  
2           the public's needs;
- 3           (7) Avoid the appearance of impropriety or conflicts of  
4           interest;
- 5           (8) Avoid social interactions with vendors, bidders,  
6           potential bidders, or other interested parties during  
7           the procurement process;
- 8           (9) Maintain confidentiality in a manner that ensures a  
9           fair procurement process; and
- 10          (10) Remain impartial in dealings with vendors, bidders,  
11          potential bidders, and other interested parties.
- 12          (b) Any person, including any actual or prospective  
13          bidder, offeror, contactor, or business taking part in the  
14          conduct of public procurement, shall act in good faith to  
15          practice purchasing ethics, and when applicable, display  
16          business integrity as a responsible offeror of goods and  
17          services through the public procurement process, including:
- 18          (1) Avoiding the intent and appearance of unethical  
19          behavior or business practices;
- 20          (2) Refraining from any activity that would create the  
21          appearance of impropriety or conflicts of personal  
22          interest and the interests of the State or counties;



- 1        (3) Identify and eliminate any conflicts of interest; and
- 2        (4) Ensure that all persons are afforded an equal
- 3        opportunity to compete in a fair and open environment.
- 4        (c) All parties involved in the negotiation, performance,
- 5        or administration of state contracts shall act in good faith."

6        SECTION 2. Statutory material to be repealed is bracketed

7        and stricken. New statutory material is underscored.

8        SECTION 3. This Act shall take effect on July 1, 2020.

**Report Title:**

Public Procurement; Ethics

**Description:**

Requires government purchasers and private entities offering goods and services for sale to government purchasers to follow ethical principles in matters relating to procurement.

Effective July 1, 2020. (HB2283 HD2)

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

