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# A BILL FOR AN ACT

RELATING TO PROCUREMENT.

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

1           SECTION 1. The legislature finds that in this period of  
2 tremendous economic turmoil, procedural changes are necessary to  
3 enable the State to achieve a quick recovery and to provide  
4 effective economic stimulation. The legislature further finds  
5 that Hawaii's public procurement process is inefficient and  
6 antiquated. Procedures require protracted periods of time  
7 between each procurement step. Currently, the awarding of a  
8 contract is subject to prolonged review, thereby preventing  
9 government projects from proceeding in a timely manner.

10           Senate Concurrent Resolution No. 132, Senate Draft 1,  
11 Regular Session of 2009, established a task force to determine  
12 the economic contributions of the construction industry in  
13 Hawaii. As directed in the concurrent resolution, the task  
14 force has developed a series of proposals for state actions to  
15 preserve and create new jobs in the local construction industry.  
16 The intent of this Act is to implement one of the task force's  
17 proposals.



1           Accordingly, the purpose of this Act is to amend  
2 chapter 103D, Hawaii Revised Statutes, to require all state  
3 agencies to award public contracts on bid proposals within  
4 thirty days of the bid opening date. In doing so, however, it  
5 is also the purpose of this Act to strike a balance between  
6 expedited procedures and the necessary accountability and  
7 transparency.

8           SECTION 2. Chapter Section 103D, Hawaii Revised Statutes,  
9 is amended by adding a new section to part III to read as  
10 follows:

11           "§103D- Contract award deadlines. Notwithstanding any  
12 other statute or administrative rule relating to procurement,  
13 contracts for projects of the state departments of Hawaiian home  
14 lands and transportation, county boards of water supply, and  
15 county departments of housing, planning and permitting, and  
16 transportation shall be awarded within thirty days of the bid  
17 opening date; provided that:

18           (1) The limitation shall not apply if the lowest  
19 responsible bid exceeds available funding;

20           (2) An extension, not exceeding           business days, shall  
21 be permitted if the extension will provide the  
22 opportunity for further negotiations with the lowest



1           responsible bidder relating to considerations that  
2           could result in benefits to the public; and  
3           (3) Contracts for design professional services furnished  
4           by licensees under chapter 464 shall be awarded within  
5           forty-five days of the opening date of the bid."

6           SECTION 3. New statutory material is underscored.

7           SECTION 4. This Act shall take effect upon its approval,  
8           and shall be repealed on June 30, 2015.

**Report Title:**

Construction Task Force; Procurement; Thirty Days

**Description:**

Requires contracts awarded to projects of the departments of Hawaiian home lands and transportation; county boards of water supply; and county departments of housing, planning and permitting, and transportation to be awarded within 30 days of the bid opening date, subject to sufficient available funding and possible further negotiations to benefit the public.

Requires contracts by these agencies for design professional services to be awarded within 45 days of the bid opening date.

(HB2441 HD2)

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

