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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. Section 103D-709, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:

3 "(e) The party initiating a proceeding falling within  
4 subsection (d) shall pay to the department of commerce and  
5 consumer affairs a cash or protest bond in the amount of:

6 (1) \$1,000 for a contract with an estimated value of less  
7 than \$500,000;

8 (2) \$2,000 for a contract with an estimated value of  
9 \$500,000 or more, but less than \$1,000,000; or

10 (3) One-half per cent of the estimated value of the  
11 contract if the estimated value of the contract is  
12 \$1,000,000 or more; provided that in no event shall  
13 the required amount of the cash or protest bond be  
14 more than [~~\$10,000.~~] \$25,000.

15 If the initiating party prevails in the administrative  
16 proceeding, the cash or protest bond shall be returned to that  
17 party. If the initiating party does not prevail in the



1 administrative proceeding, the cash or protest bond shall be  
2 deposited into the general fund. The prevailing party shall be  
3 entitled to attorneys' fees and costs."

4 SECTION 2. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 3. This Act shall take effect on January 1, 2050.



**Report Title:**

Procurement; Protest Bond; Maximum

**Description:**

Establishes a \$25,000 maximum limit on a cash or protest bond that must be posted for a procurement award protest. Establishes that the prevailing party in an administrative protest hearing is entitled to attorneys' fees and costs. Takes effect on 1/1/2050. (SD2)

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

