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 projects can be delivered in a more efficient manner by increasing the effective use of state resources. The purpose of this Act is to authorize a pilot program to combine state procurement resources with the public works division under the department of accounting and general services. This pilot program will authorize the state procurement administrator to hire an exempt position with additional incremental funding. These changes promote procurement efficiency, program success, and government accountability.

SECTION 2. The state procurement office and the public works division under the department of accounting and general services shall develop a ten-year pilot program to enable innovative methods of procurement. The pilot program shall be created and will sit within the public works division with resources detailed from both partner offices. The pilot program shall offer three main services to agencies in their efforts to
engage in innovative procurement: advisory, governance and management. Responsibilities of this office shall include but not be limited by the following:

1. Develop a value for money proposition for each authorized innovative project;
2. Manage and develop rules and guidance for innovative project delivery;
3. Facilitate and guide post-award contract management of innovative projects, to include developing a recommended time and performance schedule;
4. Conduct negotiations and strategic planning of innovative projects;
5. Develop legislation that promotes efficiencies on innovative projects and general construction procurement;
6. Write testimony and testify at the legislature on construction bills;
7. Develop construction procurement guidance through procurement circulars and the Procurement Wizard, the State's procurement manual;
(8) Develop construction and innovative project delivery training;
(9) Develop and manage construction seminars;
(10) Facilitate conversations between agencies and departments with an effort to create a more consistent method of soliciting and managing construction and innovative delivery projects;
(11) Review construction solicitations and change orders and conduct investigations; and
(12) Research and implement efficient information systems to allow for reduction of manual processes, both at the solicitation and post-award stages.

SECTION 3. The state procurement administrator is authorized to establish and fill the position of innovative project delivery coordinator, one full-time equivalent (1.00 FTE) position, exempt from the provisions of chapter 76, Hawaii Revised Statutes, for the duration of the pilot program, for the purposes of this Act.

SECTION 4. A biennial report shall be submitted to the legislature over the duration of the pilot program. Such report
shall be submitted no later than ten days after the convening of
the legislative session.

SECTION 5. There is appropriated out of general revenues
of the State of Hawaii the sum of $85,000 or so much thereof as
may be necessary for fiscal year 2020-2021, for one full-time
equivalent (1.0 FTE) exempt position. The name of the exempt
position shall be the innovative project delivery officer.

The sum appropriated shall be expended by the department of
accounting and general services for the purposes of this Act.

SECTION 6. This Act shall take effect on July 1, 2020.
Report Title:
Procurement; Pilot program; Construction; Public Works; Office of Procurement; Department of Accounting and General Services

Description:
Authorizes the state procurement administrator to hire an innovative project delivery officer and funds this position. Authorizes a ten-year pilot program creating an innovative project delivery partnership between the state procurement office and the office of public works under the department of accounting and general services. Requires the office to provide services to agencies state-wide on construction and innovative projects. (SD1)

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