



GOV. MSG. NO. 1274

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 27, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 27, 2022, the following bill was signed into law:

SB2383 SD2 HD2 CD1

RELATING TO THE STATE PROCUREMENT
POLICY BOARD.
ACT 173

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor

JUN 27 2022

on _____

THE SENATE
THIRTY-FIRST LEGISLATURE, 2022
STATE OF HAWAII

ACT 173
S.B. NO. 2383
S.D. 2
H.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO THE STATE PROCUREMENT POLICY BOARD.

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

1 SECTION 1. The legislature finds that boards and
2 commissions provide an opportunity for citizens to have a voice
3 in government and provide a means to influence decisions that
4 shape the quality of life for the residents of the State.
5 However, vacancies on these boards and commissions pose
6 challenges for some agencies in fulfilling their duties.
7 Furthermore, the legislature also finds that the size of some of
8 these boards has presented a challenge with obtaining the
9 necessary quorum, which is further compounded by member
10 vacancies.

11 The legislature further finds that the state procurement
12 policy board is one example where vacancies and the size of the
13 board are hampering state processes. The board was formed to
14 adopt, amend, or repeal administrative rules to carry out and
15 effectuate the purpose and provisions of the Hawaii public
16 procurement code, which governs the State's procurement,
17 management, control, and disposal of any and all goods,
18 services, and construction, and the law governing the State's



1 purchase of health and human services. Other duties of the
2 board are to consider and decide matters of policy, including
3 those referred by a chief procurement officer; audit and monitor
4 the implementation of its rules and the requirements of
5 applicable statutes; and consider applicants for the position of
6 the state procurement administrator. Unfortunately, because of
7 vacancies on the board, vital tasks are left pending.

8 The legislature further finds that the term "significant"
9 utilized in the existing law may not reflect the minimum
10 requisite number of years of high-level experience needed and
11 therefore should be enumerated explicitly within statute.

12 The legislature also finds that there is a need to ensure
13 that this board also has representation with high-level county
14 procurement experience as well as a member who is particularly
15 versed in construction procurement, since the comptroller or
16 other members may not have that type of needed experience.

17 The purpose of this Act is to:

- 18 (1) Decrease the number of members on the state
19 procurement policy board from seven to five;
- 20 (2) Amend the appointment and experience requirements for
21 members of the state procurement policy board; and



1 (3) Repeal the state procurement policy board nominating
2 committee.

3 SECTION 2. Section 103D-201, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 " (b) The policy board shall consist of ~~[seven]~~ five
6 members. Notwithstanding the limitations of section 78-4, the
7 members of the board shall include:

8 (1) The comptroller;

9 ~~[(2) A county employee with significant high-level
10 procurement experience; and~~

11 ~~+(3) Five persons who shall not otherwise be full-time
12 employees of the State or any county;]~~

13 (2) Two members appointed by the governor; provided that
14 one member shall have five years of high-level
15 construction procurement experience and one member
16 shall have five years of high-level county procurement
17 experience;

18 (3) One member appointed by the president of the senate;
19 provided that the member shall have five years of
20 general procurement experience; and



1 (4) One member appointed by the speaker of the house of
2 representatives; provided that the member shall have
3 five years of general procurement experience.
4 ~~[provided that at least one member shall be a certified~~
5 ~~professional in the field of procurement, at least one member~~
6 ~~shall have significant high level, federal procurement~~
7 ~~experience, and at least two members shall have significant~~
8 ~~experience in the field of health and human services.] Each~~
9 appointed member shall have demonstrated sufficient business or
10 professional experience to discharge the functions of the policy
11 board. ~~[The initial and subsequent members of the policy board,~~
12 ~~other than the comptroller, shall be appointed by the governor~~
13 ~~from a list of three individuals for each vacant position,~~
14 ~~submitted by a nominating committee composed of four individuals~~
15 ~~chosen as follows: two persons appointed by the governor; one~~
16 ~~person appointed by the president of the senate; and one person~~
17 ~~appointed by the speaker of the house.] Except as provided in~~
18 this section, ~~[the selection and terms of]~~ the policy board
19 members shall be subject to the requirements of section 26-34.
20 No member of the policy board shall act concurrently as a chief
21 procurement officer. The members of the policy board shall



1 devote such time to their duties as may be necessary for the
2 proper discharge thereof."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.



S.B. NO.

2383
S.D. 2
H.D. 2
C.D. 1

APPROVED this 27th day of June, 2022


A handwritten signature in black ink, reading "David I. Ige". The signature is written in a cursive style with a large, sweeping flourish at the end.


GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 3, 2022
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.


President of the Senate


Clerk of the Senate

SB No. 2383, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives