

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Amendment to Chapter 3-120 and Exhibit A

Interim
Hawaii Administrative Rules

October 30, 2014

SUMMARY

1. §3-120-4 is amended.
2. Exhibit A is amended.

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Amendment to Chapter 3-120-4 and Exhibit A
Interim
Hawaii Administrative Rules

10/30/2014

Historical Note. This amendment of section 3-120-4, Hawaii Administrative Rules, and Exhibit A replaces rules effective 05/07/2012.

1. Section 3-120-4, Hawaii Administrative Rules, is amended to read as follows:

"§3-120-4 Procurements exempt from chapter 103D, HRS. (a) Notwithstanding the intent of chapter 103D, HRS, to require governmental bodies to procure their goods and services through competitive bidding, it is acknowledged that there may be situations where procurement by competitive means is either not practicable or not advantageous to the State.

(b) Exhibit A titled "Procurements Exempt From Chapter 103D, HRS" dated 10/30/2014, is located at the end of this chapter. This exhibit provides a list of goods and services which the procurement policy board has determined to be exempt from chapter 103D, HRS, because although such goods and services may be available from multiple sources, their procurement by competitive means would be either not practicable or not advantageous to the State.

(c) Chief procurement officers may request periodic reports from the heads of purchasing agencies of procurements made pursuant to subsection (b). The heads of purchasing agencies may be required to include in their reports, descriptions of the process or procedures the agency used to select the vendor ensuring maximum fair and open competition whenever practicable.

(d) Chief procurement officers may request that additional exemptions be added to Exhibit A entitled "Procurements Exempt From Chapter 103D, HRS" dated 10/30/2014, located at the end of this chapter.

(e) The procurement policy board shall review Exhibit A titled "Procurements Exempt From Chapter 103D, HRS" dated 10/30/2014, located at the end of this chapter, annually or more frequently as needed for amendments.

(f) Purchasing agencies making procurements which are exempt from chapter 103D, HRS, are nevertheless encouraged to adopt and use provisions of the chapter and its implementing rules as appropriate; provided that the use of one or more provisions shall not terminate the exemption and subject the procurement of the purchasing agency to any other provision of the chapter.

(g) Purchasing agencies shall cite on the purchase order or on the contract, the authority waiver as "Exempt From Chapter 103D, HRS, pursuant to section 3-120-4(b) (cite exemption number from Exhibit A titled "Procurements Exempt From Chapter 103D, HRS" dated 10/30/2014 located at the end of this chapter), Hawaii Administrative Rules". [Eff 12/15/95; am and comp 11/17/97; am and comp 6/19/99; am and comp 6/9/01; am and comp 11/15/01; am and comp 11/8/02; am and comp 8/24/09; am

OCT 31 2014] (Auth: HRS §§103D-102, 103D-202)
(Imp: HRS §103D-102)

2. Additions to updates source notes to reflect these amendments are not underscored.


3. These amendments to chapter 3-120, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.


DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

Amendments to Subsection 3-120-4 and Exhibit A, Hawaii Administrative Rules, on the Summary Page dated October 30, 2014 were adopted at the Procurement Policy Board meeting on September 29, 2014, pursuant to interim rulemaking authority authorized in §103D-202, Hawaii Revised Statutes.

The rules replace rules previously adopted and effective on 05/07/2012. The rules shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the interim rules as amended.


GREGORY LEE KING
Chairperson
Procurement Policy Board


DEAN H. SEKI
State Comptroller

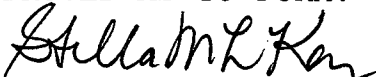
Dated: _____

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LIEUTENANT GOVERNOR'S
OFFICE

APPROVED AS TO FORM:


Deputy Attorney General

LIEUTENANT GOVERNOR OF HAWAII
THIS IS TO CERTIFY THAT THE FOREGOING IS A
TRUE AND CORRECT COPY OF THE ORIGINAL
WHICH IS ON FILE AND OF RECORD IN THIS OFFICE

NOV 03 2014

HONOLULU, HAWAII

"EXHIBIT A"

HAR Chapter 3-120
PROCUREMENTS EXEMPT FROM CHAPTER 103D, HRS

10/30/2014

The following list of exemptions, pursuant to HAR §3-120-4, has been determined to be exempt from HRS chapter 103D by the procurement policy board, notwithstanding remaining ethical considerations in public procurement, as guided by relevant subsections in HRS §103D-101 and HAR §3-131-1.02:

Exemption
Number

Exemption

1. Research, reference, and educational materials including books, maps, periodicals, and pamphlets, which are published or available in print, video, audio, magnetic, or electronic form, including web-based databases, and costs associated with publication of articles in scholarly journals;
2. Services of printers, rating agencies, support facility providers, fiscal and paying agents, and registrars for the issuance and sale of the State's or counties' bonds;
3. Services of lecturers, speakers, trainers, facilitators and scriptwriters, when the provider possess specialized training methods, techniques or expertise in the subject matter;
4. Services of legal counsel, guardian ad litem, psychiatrists, psychologists, receivers and masters when required by court order;

<u>Exemption Number</u>	<u>Exemption</u>
5.	Insurance to include insurance broker services;
6.	New or used items which are advantageous and available on short notice through an auction, bankruptcy, or foreclosure;
7.	Food and fodder for animals;
8.	Facility costs for conferences, meetings, and training sessions;
9.	Advertisements in specialized publications, such as in ethnic or foreign language publications, trade publications, or professional publications;
10.	Arbitrator and mediator services;
11.	Interpreter services;
12.	Procurement of repair services when dismantling is required to assess the extent of repairs;
13.	Burial services consisting of mortuary, crematory, cemetery, and other essential services for deceased indigent persons or unclaimed corpses;
14.	Radio and television airtime when selection of station is based on the targeted audience (i.e. ethnic or age group, gender, etc);
15.	Subscription costs and registration or workshop fees for conferences or training; and
16.	Court reporter services.