

JOSH B. GREEN, M.D.
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ACTING ADMINISTRATOR

STATE OF HAWAII'Ī | KA MOKU'ĀINA O HAWAII'Ī
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July 10, 2023

PROCUREMENT CIRCULAR NO. 2024-01

TO: Office of the Governor, Chief Operating Officer
Office of the Lieutenant Governor, Chief of Staff
Executive Department Heads
Hawaii State Public Library System, State Librarian

Chief Procurement Officers (CPOs):

Department of Education, Superintendent
University of Hawai'i, President
Office of Hawaiian Affairs, Chairperson of the Board
Hawai'i Health Systems Corporation, President and Chief Executive Officer
Judiciary, Administrative Director of the Courts
Senate, President
House of Representatives, Speaker

Counties of Hawai'i, Kauai and Maui, and City and County of Honolulu:

Executive Branch, Finance Director
Legislative Branch, Council Chair
Board/Departments of Water Supply, Manager/Chief Engineer
Honolulu Authority for Rapid Transportation, Executive Director and Chief
Executive Officer

CC: Administrative Services Offices

FROM: Bonnie Kahakui, Acting Administrator *Bonnie A. Kahakui*

SUBJECT: Summarized Updates to Procurement Code, HRS Chapters 103D and 103F for:
[ACT 44, SLH 2023 \(HB977 HD1 SD1\): SECTION 2](#)
[ACT 45, SLH 2023 \(HB978 HD2 SD2 CD1\): SECTIONS 2, 3](#)
[ACT 188, SLH 2023 \(HB1184 HD1 SD1 CD1\): SECTION 2](#)

House Bill No. 977, HD1, SD1 was signed into law as Act 44 by the Governor on June 1, 2023, with the effective date upon its approval. ACT 44, SLH 2023, repealed the entire section of HRS §103F-202 relating to the Community Council on purchase of health and human services.

House Bill No. 978, HD2, SD2, CD1 was signed into law as Act 45 by the Governor on June 1, 2023, with the effective date upon its approval. ACT 45, SLH 2023 amended the following HRS 103F sections:

HRS §103F-404 (a) through (e) by amending the applicability of “treatment services,” the required actions for use of “treatment services,” and delegates the responsibility to the head of the purchasing agency or the purchasing agency’s designee.

HRS §103F-404 (f) by amending the requirement for contracts of “treatment services,” in excess of \$100,000 or for a duration longer than one year, to use of an alternative applicable method of procurement pursuant to section HRS §103F-401.

HRS §103F-405 by linking the small purchases threshold of health and human services to the same threshold of small purchases pertaining to goods and services under HRS §103D-305(a).

House Bill No. 1184, HD1, SD1, CD1 was signed into law as Act 188 by the Governor on July 3, 2023, with the effective date upon its approval. ACT 188, SLH 2023 amended the following HRS 103D section:

HRS §103D-304 Procurement of Professional Services, by adding a new subsection (i), to allow agencies to rank fewer than three persons for professional services when fewer than three qualified persons respond to the solicitation, or to request to use alternative procurement procedures when no qualified person responds to the solicitation.

Please refer to Procurement Circular 2024-02, *Notice of No Interest for Procurement of Professional Services – Form SPO-004*, for summary of the additional amendments to HRS §103D-304, Procurement of Professional Services, and guidance in completing and providing supporting documentation for the form SPO-004.

It is advised that departments be completely familiarized with the entire amendments made to the subject sections of HRS 103D and 103F. A complete listing of all current Procurement Circulars is available at <https://spo.hawaii.gov/>, under the *References* menu; click on *Procurement Circulars*.

Staff with questions may contact Christopher Amandi at (808)587-4706 or email Christopher.J.Amandi@hawaii.gov. You may contact me at (808)587-4701 or email bonnie.a.kahakui@hawaii.gov.

Mahalo.