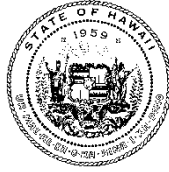


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



BONNIE KAHAKUI
ADMINISTRATOR

DAYNA OMIYA
ASSISTANT ADMINISTRATOR

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII'
STATE PROCUREMENT OFFICE

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state.procurement.office@hawaii.gov
<http://spo.hawaii.gov>

June 29, 2026

PROCUREMENT CIRCULAR NO. 2026-15


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 Hawaii, Chief Financial Officer
Office of Hawaiian Affairs, Chairperson of the Board
Hawaii Health Systems Corporation, Chief Executive Officer
Judiciary, Administrative Director of the Courts
Senate, President
House of Representatives, Speaker
School Facilities Authority, Executive Director

Counties of Hawaii, Kauai, and Maui, and City & County of Honolulu
Executive Branch, Finance Director
Legislative Branch, City/County Council Chair
Board/Departments of Water Supply, Manager/Chief Engineer
Honolulu Authority for Rapid Transportation, Executive Director

CC: Administrative Services Offices

FROM: Bonnie Kahakui, Administrator 

SUBJECT: Summarized Update to Procurement Code HRS Chapter 103D
ACT 087, SLH 2026 (SB2075 SD1 HD2 CD1)

Senate Bill No. 2075, SD1, HD2, CD1, was signed into law as ACT 087 by the Governor on June 4, 2026, with the effective date of July 1, 2026. ACT 087, SLH 2026, amended the following HRS 103D sections:

- HRS §103D-302, Competitive sealed bidding, by adding a section on Hawaii bidder preferences for evaluation purposes only. This requires purchasing agencies to apply a five per cent flat rate local preference in evaluating bids or proposals from qualified Hawai'i bidders or offerors who submit a timely preference certification. This also establishes criteria

for a bid or proposal to qualify for a local preference and requirements for the qualification and certification of Hawai'i bidders and offerors and consequences for failure to maintain qualification.

The ACT specifies the application of the Hawaii bidder preference to Competitive Sealed Bidding under HRS §103D-302.

- HRS §103D-303, Competitive sealed proposals, by adding a section on Hawaii offeror preferences for evaluation purposes only. This requires purchasing agencies to apply a five per cent flat rate local preference in evaluating bids or proposals from qualified Hawai'i bidders or offerors who submit a timely preference certification. This also establishes criteria for a bid or proposal to qualify for a local preference and requirements for the qualification and certification of Hawai'i bidders and offerors and consequences for failure to maintain qualification.

The ACT specifies the application of the Hawaii bidder preference to Competitive Sealed Proposals under HRS §103D-303.

- HRS §103D-702, by adding that knowingly making a false or misleading statement or certification for the purpose of obtaining or retaining a preference under section 103D-302(j) or 103D-303(j) is a reason for debarment or suspension of a vendor.
- HRS §103D-1001, by adding four definitions: "Hawaii bidder," "Hawaii bidder preference certification," "Hawaii offeror," and "Hawaii offeror preference certification."

As specified in ACT 087, SLH 2026, Section 6, the Procurement Policy Board will adopt rules regarding these preferences. Additional guidance to Executive Branch departments will be forthcoming.

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

Questions concerning this Procurement Circular may be directed to Stacey Kauleinamoku-Murakami at (808) 586-0571 or email stacey.l.kauleinamoku@hawaii.gov, or you may contact me at (808) 587-4701 or email bonnie.a.kahakui@hawaii.gov.

Mahalo.