

Honolulu, Hawaii

MAR 21 2025

RE: H.B. No. 988
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 988, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit a procurement officer from disclosing a competing offeror's proposal or evaluation scores, except the summary of scores, during a debriefing requested by a non-selected offeror; and
- (2) Authorize the disclosure of a competing offeror's proposal or evaluation scores after a protest is resolved and the contract is executed.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, and State Procurement Office.

Your Committee received comments on this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu and General Contractors Association of Hawaii.



Your Committee finds that debriefings of non-selected offerors are meant to explain the purchasing agency's overall ranking of all proposals and rationale for award. Debriefings should not focus on competing offerors because public disclosure of competing proposals before final contract execution may unfairly advantage some competitors. Risks to proprietary and other confidential information caused by these disclosures may also result in fewer proposal submissions and higher procurement costs, ultimately harming the procurement process. This administrative measure will protect the integrity and fairness of the procurement process by clarifying which information the procurement officer shall not disclose during a debriefing.

Your Committee has amended this measure by inserting an effective date of January 1, 2491, to encourage further discussion.

Your Committee notes the concerns expressed by the Department of Budget and Fiscal Services of the City and County of Honolulu that this measure may be more effective if it permitted disclosure of certain information after the contract is awarded, rather than executed, to better align with existing protest and debriefing timelines. Your Committee finds that this issue raises concerns that merit further consideration and respectfully requests that subsequent Committees to which this measure is referred examine this matter.

Your Committee further notes that some state agencies may require clarification on which information may be disclosed during a debriefing with a non-selected offeror. Therefore, your Committee believes the State Procurement Office should issue a memorandum to all state agencies specifying the information subject to disclosure and when in the procurement process that information may be disclosed.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 988, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 988, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,



ANGUS L.K. MCKELVEY, Chair



