

STAND. COM. REP. NO. 1034 -08

Honolulu, Hawaii
Feb 29, 2008

RE: H.B. No. 396
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 396, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PROCUREMENT CODE,"

begs leave to report as follows:

The purpose of this bill, as received by your Committee, was to assist Hawaii's agricultural industry by requiring procurement contracts for food operations of state correctional facilities, state hospitals and healthcare facilities, and public schools to be awarded to the lowest responsible and responsive bidders, with preference given to the agricultural products raised or grown in Hawaii.

However, prior to the hearing, your Committee deleted the contents of H.B. No. 396, H.D. 1, and drafted and circulated a proposed House draft 2 for consideration. Proposed H.B. 396, H.D. 2 was placed on the calendar for a hearing and testimony was received on this measure. As drafted, the purpose of proposed H.B. 396, H.D. 2 is to ensure better coordination of procurement projects and improve the process to protest awarding of contracts for any project with a total estimated contract value of \$500,000 or more by:

- (1) Requiring the appropriate chief procurement officer to hold a pre-job conference at least 30 days before contract work begins;

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- (2) Allowing unselected offerors of professional services and in competitive sealed proposals to ask for a debriefing within three working days after the posting of the contract award; and
- (3) Requiring any subsequent protest to be submitted in writing before the pre-job conference.

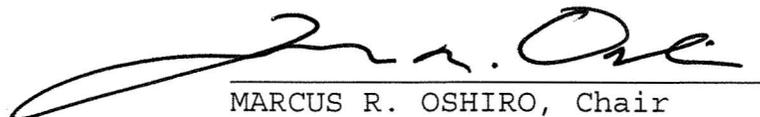
The Iron Workers Stabilization Fund testified in support of this bill. The Department of Accounting and General Services testified in opposition to this measure. The State Procurement Office offered comments.

Your Committee has amended this bill by adopting the language contained in the proposed H.B. No. 396, H.D. 2.

Other technical, nonsubstantive amendments have been made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 396, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 396, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



