STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 0 2 2007

RE: S.B. No. 718 S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 718, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to support the floriculture industry in Hawaii by encouraging the purchase of flowers grown in Hawaii.

More specifically, this measure amends section 103D-1002, Hawaii Revised Statutes, to require the Department of Agriculture, with the assistance of the State Procurement Office, to develop a Hawaii floriculture product program, to encourage the purchase and use of Hawaii-grown flowers.

The Department of Agriculture submitted comments on this measure.

Your Committee finds that the purpose of this bill is compatible with the purpose of Senate Bill 715. The purpose of that measure is to promote Hawaii's agricultural industry by encouraging the purchase and use of Hawaii agricultural products.

More specifically, Senate Bill 715 adds a new section to chapter 103D, Hawaii Revised Statutes (Procurement Code), which would provide incentives for food operations of state correctional facilities and state hospitals and healthcare facilities to award contracts to the lowest responsible and responsive bidder with

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preferences given to agricultural products raised or grown in Hawaii.

Your Committee finds that state agencies should assist in promoting and maintaining Hawaii's agricultural and floricultural industries by taking steps necessary to contract for purchases of agricultural products raised or grown in Hawaii, where appropriate. Your Committee believes that establishing a floriculture product program and establishing a preference program within the State Procurement Code fulfills the intent of this measure.

Accordingly, your Committee has amended this measure by:

- (1) Inserting the contents of SB 715 into this measure;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 718, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 718, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

SB 718 SD1 Committee Referral: Date: SB 718 SD1 WAH/TSG, WAM Z.Z3.07				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)				
CHUN OAKLAND, Suzanne				
ENGLISH, J. Kalani				
FUKUNAGA, Carol				
HOOSER, Gary L.				
KIM, Donna Mercado				
MENOR, Ron				
TOKUDA, Jill N.				
HEMMINGS, Fred				
WHALEN, Paul				
TOTAL	10	0	0	1
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				