STAND. COM. REP. NO. 3033

Honolulu, Hawaii

MAR 2 3 2016

RE: H.B. No. 2544 H.D. 2

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 2544, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONSTRUCTION CONTRACTS," begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the State Procurement Office, in conjunction with the Department of Accounting and General Services, to conduct a comprehensive analysis and review of the Hawaii Public Procurement Code;
- (2) Require the State Procurement Office to submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018; and
- (3) Appropriate funds to the State Procurement Office for the comprehensive analysis and review.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, Chamber of Commerce Hawaii, and General Contractors Association of Hawaii. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the Hawaii Public Procurement Code provides the foundational framework for construction contracting.

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It is imperative that the State's procurement process is competitive and transparent as it is a paradigm for which contractors and procuring agencies rely on to be consistent in its application. Implementation of this measure will advance the Hawaii Public Procurement Code and improve the efficiency and effectiveness of the procurement process.

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. 2544, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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

DONNA MERCADO KIM, Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee Referral:			Date:		
HB 2944 HD2	GVO, WAM			03-17-16		
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 (WF	R) Nay	Excused	
KIM, Donna Mercado (C)		V .				
IHARA, Jr., Les (VC)		V				
DELA CRUZ, Donovan M.					V	
KEITH-AGARAN, Gilbert S.C.		V				
SHIMABUKURO, Maile S.L.						
TOKUDA, Jill N.					V	
SLOM, Sam					V	
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TOTAL		.4	D	0	3	
Recommendation: Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original File with Committee Re		ellow s Office D	Fink rafting Ager			

^{*}Only one measure per Record of Votes