STAND. COM. REP. NO.

81

Honolulu, Hawaii

February 7, 2017

RE: H.B. No. 1229 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1229 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to increase the efficiency of the public procurement construction bid process by requiring only bids for contracts with a total estimated value of over \$5,000,000 to list subcontractors and joint contractors.

The Department of Budget and Fiscal Services of the City and County of Honolulu, General Contractors Association of Hawaii, and Ralph S. Inouye Co. Ltd. supported this measure. The State Procurement Office; Department of Accounting and General Services; Subcontractors Association of Hawaii; Electrical Contractor's Association of Hawaii; Plumbing and Mechanical Contractors Association of Hawaii; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers; Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund; Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; and Ironworkers Stabilization Fund opposed this measure.

Your Committee has amended this measure by:

- (1) Leaving unspecified, the total estimated contract value amount that would trigger the requirement to list subcontractors and joint contractors in a bid; and
- (2) Changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1229, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1229, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor & Public Employment,

aardn Lang Johanson, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature



Record of Votes of the Committee on Labor & Public Employment

	tee Referral: Date: 2 2 1 17			
θ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: θ Pass, unamended (as is) Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)		, , , , , , , , , , , , , , , , , , ,	is and anything and a second	
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2. HOLT, Daniel (VC)	<u></u>			
2 VEOLOVALOUE James				
3. KEOHOKALOLE, Jarrett				
4. NAKASHIMA, Mark M.				
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5. TAKUMI, Roy M.		Greek St. and		0 V-0 = 25,
6. YAMASHITA, Kyle T.	\checkmark	and themse detailed to management and a second a second and a second a		
7. MATSUMOTO, Lauren Kealohilani	<i></i>			
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TOTAL (7)	7			
The recommendation is: Adopted θ Not Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				