STAND. COM. REP. NO.

Honolulu, Hawaii March 9, 2017

RE: H.B. No. 1415 H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1415, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to establish additional performance bond requirements for surety companies and bond companies under the Hawaii Public Procurement Code.

The State Procurement Office, Hawaii Insurers Council, and Hawaii Captive Insurance Council testified in opposition to this measure. The Ironworkers Stabilization Fund, Subcontractors Association of Hawaii, and General Contractors Association of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Establishing conditions for releasing or terminating the obligations of a payment bond; and
- (2) Making technical, nonsubstantive amendments 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



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Committee is in accord with the intent and purpose of H.B. No. 1415, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1415, H.D. 2.

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

SYLVIA LUKE, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: Committee HB1415, HD1		e Referral: LAB/FIN		Date: 2/22/17	
θ The committee is reconsidering its previ	ous decision	on the measure.			
	unamended (hort form bil		ss, with amendments mmit for future publi		
FIN Members		Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)					
2. CULLEN, Ty J.K. (VC)			· .		
3. CACHOLA, Romy M.		· · · · · · · · · · · · · · · · · · ·			
4. CHOY, Isaac W.					/
5. DeCOITE, Lynn	a La Calana				na ji ka La se sa
6. GATES, Cedric Asuega					
7. HOLT, Daniel					
8. KEOHOKALOLE, Jarrett	· · · · ·		· ·		
9. KOBAYASHI, Bertrand					
10. LoPRESTI, Matthew S.				<u></u>	
11. LOWEN, Nicole E.					
12. NAKAMURA, Nadine K.			-		<u> </u>
13. TOKIOKA, James Kunane					
14. QUINLAN, Sean			•		
15. YAMASHITA, Kyle T.					
16. TUPOLA, Andria P.L.					/
17. WARD, Gene					
TOTAL (17) The recommendation is:		14 θ Not Adopt		<i>p</i> rt recommendation	3
Vice Chair's or designee's signature:		committee acronym			
Distribution: Original (White) – Commit	tee Du	Inlicate (Vellow)	- Chief Clerk's Office	Dunlicato (B	ink) – HMSO