STAND. COM. REP. NO.

Honolulu, Hawaii APYN 0 , 2017 RE: S.B. No. 1068 S.D. 1 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 Finance, to which was referred S.B. No. 1068, S.D. 1, 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:

- (1) Prohibit the disqualification or rejection of a bid that includes a listed subcontractor whose license is not valid at the time of the bid due to a lapse in continuous insurance and bond coverage if the subcontractor meets certain conditions; and
- (2) Require procurement officers to report any unlicensed activity to the Contractors License Board if a bid is disqualified or rejected because the subcontractor failed to meet certain licensing requirements.

The General Contractors Association of Hawaii supported this measure. The State Procurement Office and Iron Workers Stabilization Fund opposed this measure. The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Department of Transportation, Subcontractors Association



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of Hawaii, and Plumbing and Mechanical Contractors Association of Hawaii provided comments.

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 S.B. No. 1068, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

SYLVIA LUKE, Chair



State of Hawaii

State of Hawaii House of Representatives The Twenty-ninth Legislature

Record of Votes of the Committee on Finance

| Bill/Resolution No.: SB 1068, SD1, HD1 | Committee Referral:Date:LAB, FIN03/31/2017 | | | |
|---|--|---|---------------------------------------|---------------------------------------|
| The committee is reconsidering its previous | vious decision on the measure. | _ | | |
| | unamended (as is) | ass, with amendments of ommit for future public | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. LUKE, Sylvia (C) | | | | 1 |
| 2. CULLEN, Ty J.K. (VC) | | | | |
| 3. CACHOLA, Romy M. | | | | |
| 4. CHOY, Isaac W. | | | | |
| 5. DeCOITE, Lynn | | | | |
| 6. GATES, Cedric Asuega | | | | |
| 7. HOLT, Daniel | | | | |
| 8. KEOHOKALOLE, Jarrett | | | · · · · · · · · · · · · · · · · · · · | |
| 9. KOBAYASHI, Bertrand | | | | |
| 10. LoPRESTI, Matthew S. | | | | |
| 11. LOWEN, Nicole E. | | | | |
| 12. NAKAMURA, Nadine K. | | | | |
| 13. TOKIOKA, James Kunane | | | | |
| 14. QUINLAN, Sean | | | | ~ |
| 15. YAMASHITA, Kyle T. | | | | |
| 16. TUPOLA, Andria P.L. | | | | |
| 17. WARD, Gene | | | | / |
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| | | | | |
| TOTAL (17) | 15 | Ŕ | Ø | 2 |
| | opted D Not Adop referral, committee acronyr | | rt recommendation | · · · · · · · · · · · · · · · · · · · |
| Vice Chair's or designee's signature: | AJ.K.C | | | |
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