CONFERENCE COMMITTEE REP. NO.

Honolulu, Hawaii

APR 2 8 2017 RE: S.B. No. 149 H.D. 1 C.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

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

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 149, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose and intent of this measure is to:

- Repeal the requirement that all applicants for procurement contracts for health and human services possess all licenses necessary to conduct the subject business; and
- (2) Repeal the requirement that all contracts for health and human services include only costs, fees, and taxes that are reflected in the proposal.

Your Committee on Conference finds that the requirement that potential contractors obtain licensure prior to being awarded a state contract for health or human services has served as a



CONFERENCE COMMITTEE REP. NO.

Page 2

significant barrier to new providers entering the service system, as providers typically will not obtain licensure prior to being awarded a contract. Your Committee on Conference further finds that the Hawaii Administrative Rules already require applicants to obtain necessary licenses prior to the start of contract services, and that the original intent of this law is no longer being served because its implementation has resulted in an overly restricted marketplace which has chilled healthy business competition amongst qualified health and human services providers. Thus, your Committee on Conference finds that the repeal of this law is necessary for the efficient processing of contracts for health and human services.

Your Committee on Conference has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 149, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 149, H.D. 1, C.D. 1.



CONFERENCE COMMITTEE REP. NO. DD Page 3

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

NSON Co-Chair

DANIEL HOLT Co-Chair

ON THE PART OF THE SENATE

indo

DONNA MERCADO KIM Chair

JOSH GREEN Co-Chair

Bake σ

ROSALYN H. BAKER Co-Chair

BRICKWOOD GALUTERIA Co-Chair



Hawaii State Legislature



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 149, HD 1				Date/Time: 4/27/17 230 PM					
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its	s prev	ious de	ecisio	n.				·	
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	Α	WR	N	E
KIM, Donna Mercado, Chr.	\square				JOHANSON, Aaron Ling, Co-Chr.	$\overline{}$			
GREEN, Josh, Co-Chr.	/				HOLT, Daniel, Co-Chr.	/			
BAKER, Rosalyn H., Co-Chr.	1				YAMASHITA, Kyle T.				/
GALUTERIA, Brickwood, Co-Chr.	1				MATSUMOTO, Lauren Kealohilani				
RHOADS, Karl									
						1			
	1								
			<u> </u>			1			
					· · · · · · · · · · · · · · · · · · ·	_			
	1								
						-			
					· · · · · · · · · · · · · · · · · · ·				
						<u> </u>			
······	<u> </u>					┥──			
· · · · · · · · · · · · · · · · · · ·	<u> </u>					+	<u> </u>		
TOTAL	4	0	0		TOTAL	3	0	0	
A = Aye • WR = Aye with Reservations N = Nay E = Excused									
Senate Recommendation is:					House Recommendation is:				
Adopted U Not Adopted					Adopted INot Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
Distribution: Original File with Conference Co	YellowPinkGoldenroduse Clerk's OfficeSenate Clerk's OfficeDrafting Agency								