STAND. COM. REP. NO. Honolulu, Hawaii , 2021 FEB 19 RE: H.B. No. 1067 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Government Reform, to which was referred H.B. No. 1067, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT FOR THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose of this measure is to permanently establish the authority of the University of Hawaii President to act as the Chief Procurement Officer for the University of Hawaii for all procurement contacts under the Hawaii Public Procurement Code.

Your Committee received testimony in support of this measure from the University of Hawai'i System and General Contractors Association of Hawaii.

Your Committee finds that Act 87, Session Laws of Hawaii 2013 (Act 87), was enacted to, among other things, remove the authority of the University of Hawaii President to serve as the Chief Procurement Officer for construction contracts and construction-related professional services contracts and transferred those responsibilities to the Administrator of the State Procurement Office. This resulted in a bifurcated procurement structure at the University of Hawaii in which a different set of rules and procedures applied for goods and services and for construction-related professional services.

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Your Committee further finds that a January 2016 report by the State Procurement Office, issued pursuant to Act 87, found that the University of Hawaii was conducting construction procurements in a "compliant, efficient, and transparent manner." Act 42, Session Laws of Hawaii 2018, reinstated and restored full authority to the University of Hawaii President to serve as the University's Chief Procurement Officer for all procurement contracts under the Hawaii State Procurement Code and projects have been streamlined and greatly improved; however, that authority is set to expire on June 30, 2021. This measure makes this authority permanent.

As affirmed by the record of votes of the members of your Committee on Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1067, H.D. 1, and recommends that it be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Government Reform,

McKELVEY, Chair

State of Hawaii House of Representatives The Thirty-first Legislature House 534

## Record of Votes of the Committee on Government Reform

| Bill/Resolution No.:<br>HBID67HD2 HET   | ee Referral:<br>□, GVR,   | FIN Date: | - 17 -  | - 21                                  |
|---|---|-----------|---|---------------------------------------|
| <ul> <li>The committee is reconsidering its previous decision on the measure.</li> </ul>  |   |           |   |                                       |
| The recommendation is to:       Pass, unamended (as is)       Pass, with amendments (HD)       Hold         Pass short form bill with HD to recommit for future public hearing (recommit) |   |           |   |                                       |
| <b>GVR Members</b>  | Ayes  | Ayes (WR) | Nays  | Excused                               |
| 1. McKELVEY, Angus L.K. (C)   |   |           |   |                                       |
|   |   |           |   |                                       |
| 2. WILDBERGER, Tina (VC)  | 7   |           |   |                                       |
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| 3. CULLEN, Ty J.K.  |   |           |   |                                       |
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| 4. ELI, Stacelynn K.M.  |   |           |   |                                       |
| 5. ICHIYAMA, Linda  |   |           |   |                                       |
|   |   |           |   |                                       |
| 6. MIZUNO, John M.  |   |           | and other double of the state of the second second              |                                       |
|   |   |           |   |                                       |
| 7. WOODSON, Justin H.   |   |           |   |                                       |
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| 8. YAMASHITA, Kyle T.   |   |           |   |                                       |
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| 9. WARD, Gene   |   |           |   |                                       |
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| TOTAL (9)   | +   |           | 2   | J                                     |
| The recommendation is: 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  |   |           |   |                                       |