

Honolulu, Hawaii

APR 23 2021

RE: S.B. No. 1329  
S.D. 2  
H.D. 3  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
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. 1329, S.D. 2, H.D. 3, 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 of this measure is to amend the Hawaii Public Procurement Code to:

- (1) Require the Chief Procurement Officer or designee to address protests as expeditiously as possible;
- (2) Establish time limits to resolve protests to the awards of competitive sealed proposal contracts and procurements of professional services, if the protest is not resolved by mutual agreement, unless extenuating circumstances require additional time; and



- (3) Amend the cash or protest bond amount for a party initiating an administrative proceeding for review of a decision on the solicitation or award of a competitive sealed bidding or competitive sealed proposal contract, depending on the estimated value of the awarded contract.

Your Committee on Conference finds that the timely review and resolution of bid protests reduces the costs and facilitates the execution of state-awarded projects, especially contracts on major construction and other crucial infrastructure enhancements. Your Committee on Conference notes that existing statutes and administrative rules on administrative review of the procurement protests require a resolution within forty-five days from the date of receipt of the protest, and therefore concludes that seventy-five calendar days, with an extension of forty-five calendar days for extenuating circumstances, is a sufficient period of time for review and response from the procuring department or agency.

Your Committee on Conference further finds that the current cash or protest bond amount for a party initiating an administrative proceeding for review under the Hawaii Public Procurement Code is too low for public works projects.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Requiring the Chief Procurement Officer or designee to respond to protests to the awards of construction contracts and airport contracts that are not resolved by mutual agreement, within seventy-five calendar days of receipt of the protests;
- (2) Allowing for an extension of the seventy-five-day resolution period under certain circumstances;
- (3) Amending the protest bond amount for a party initiating an administrative proceeding for review of a decision on the solicitation or award of a competitive sealed bidding or competitive sealed proposal contract to the singular rate of one percent of the estimated value of the contract;
- (4) Making it effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



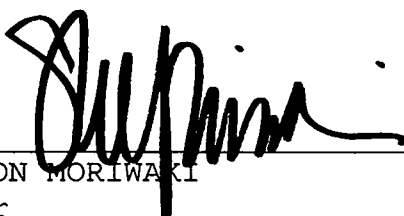
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1329, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1329, S.D. 2, H.D. 3, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
\_\_\_\_\_  
ANGUS L. MCKELVEY  
Co-Chair

  
\_\_\_\_\_  
SHARON MORIWAKI  
Chair

  
\_\_\_\_\_  
AARON LING JOHANSON  
Co-Chair

  
\_\_\_\_\_  
DONNA MERCADO KIM  
Co-Chair

  
\_\_\_\_\_  
TINA WILDBERGER  
Co-Chair

  
\_\_\_\_\_  
DRU KANUHA  
Co-Chair



Hawai'i State Legislature

CCR 136

Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 1329, SD 2, HD 3</b>	Date/Time: <b>4/21/21 10:10 AM</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
MORIWAKI, Sharon Y., Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
KIM, Donna Mercado, Co-Chr.	✓				JOHANSON, Aaron Ling, Co-Chr.				✓
KANUHA, Dru Mamo, Co-Chr.	✓				WILDBERGER, Tina, Co-Chr.	✓			
					WARD, Gene	✓			
<b>TOTAL</b>	<b>3</b>				<b>TOTAL</b>	<b>3</b>			<b>1</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**      **Original**      **Yellow**      **Pink**      **Goldenrod**  
 File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency