

Honolulu, Hawaii

**FEB 18 2022**RE: S.B. No. 2681  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2681, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to minimize bid challenges, costs, and delays of public works construction projects.

Specifically, this measure:

- (1) Allows a bidder for a construction project to clarify or correct immaterial or technical issues with subcontractor listings for up to twenty-four hours after the bid submission deadline; and
- (2) Requires that bids for construction be publicly opened no sooner than twenty-four hours after the bid submission deadline.

Your Committee received written comments in support of this measure from the General Contractors Association of Hawaii.

Your Committee received written comments in opposition to this measure from the Department of Accounting and General Services and the City and County of Honolulu.



Your Committee received written comments on this measure from the Judiciary, State Procurement Office, and Department of Transportation.

Your Committee finds that there is a limited amount of time between a prime contractor's receipt of bids from its subcontractors and the procuring agency's bid submission deadline. These constraints may cause inadvertent failures to list in a bid a required subcontractor, or the listing of erroneous subcontractor license numbers. Your Committee further finds that authorizing additional time for prime contractors to correct their subcontractor listings would facilitate the Legislature's intent of ensuring that subcontractors are listed properly on bid submittals and are licensed, while maintaining the integrity of the bid process.

Your Committee has amended this measure by:

- (1) Clarifying that, upon this measure's repeal date, section 103D-302, Hawaii Revised Statutes, shall be reenacted in the form in which it read before the effective date of this Act; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2681, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2681, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
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DONOVAN M. DELA CRUZ, Chair



