

STAND. COM. REP. NO. 610

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 1441
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 1441 entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify the deadline for submitting written protests that are based on the content of a solicitation.

Your Committee received testimony in opposition to this measure from the General Contractors Association of Hawaii. Your Committee received comments on this measure from the Department of Accounting and General Services, State Procurement Office, and Department of Transportation.

Your Committee finds that unsatisfied, or aggrieved, venders routinely challenge officials' procurement decisions through bid protests. A bid protest is a challenge to the terms or award of a public contract. Many public procurement systems have established procedures for allowing venders to challenge a solicitation. To be considered timely, the protest must be submitted in writing within the prescribed time to allow for efficient resolution.

Your Committee has heard the testimony expressing concerns that this bill may not be necessary as there are provisions in existing law for bidder protest, and that the language in this



measure may pose a disadvantage to the bidders as it may further limit the time provided to protest the solicitation. However, your Committee feels that an imposed time limit could help to expedite project completion by limiting the protest time to a defined period.

Your Committee has amended this measure by:

- (1) Clarifying language to reflect the fact that there are only two opportunities to protest; and
- (2) Inserting an effective date of July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1441, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1441, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,

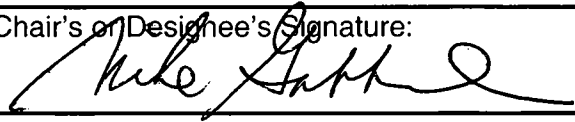


ANGUS L.K. MCKELVEY, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB1441	Committee Referral: GVO, JDC	Date: 02-16-23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)	✓			
GABBARD, Mike (VC)	✓			
SAN BUENAVENTURA, Joy A.				✓
WAKAI, Glenn				✓
AWA, Brenton	✓			
TOTAL	3	—	—	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes