

Honolulu, Hawaii

APR 28 2023

RE: S.B. No. 1518
S.D. 2
H.D. 3
C.D. 1

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

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
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. 1518, S.D. 2, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,"

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:

- (1) Provide procurement exemptions for the Department of Education for certain goods, services, and construction;
- (2) Require the Department of Education to transition to the electronic procurement system maintained by the State Procurement Office no later than June 30, 2025; and
- (3) Sunset on July 30, 2025.



Your Committee on Conference finds that the Department of Education procures numerous goods, services, and construction to maintain effective daily operations. However, the Department of Education is mandated to adhere to the Hawaii Public Procurement Code for its purchases triggered by certain threshold amounts. Additionally, the Department of Education is also mandated to utilize the electronic procurement system, creating further delays and limitations to school administrators who urgently need to address campus-specific issues. This measure exempts the Department of Education from certain procurement requirements to allow for the timely purchasing and streamlined operations of the Department of Education.

Your Committee on Conference has amended this measure by:

- (1) Inserting language from the S.D. 2 version of this measure that authorizes the Department of Education to procure goods and services and construction below certain dollar amounts without using an electronic procurement system under certain conditions;
- (2) Deleting language that would have limited the exemption from the requirement to use an electronic procurement system for the procurement of certain goods and services and construction in a county having a population of less than five hundred thousand;
- (3) Clarifying that contracts for Department of Education educational materials shall be exempt from the Hawaii Procurement Code;
- (4) Inserting a sunset date of June 30, 2026;
- (5) Making it effective upon its approval; and
- (6) 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. 1518, 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. 1518, S.D. 2, H.D. 3, C.D. 1.



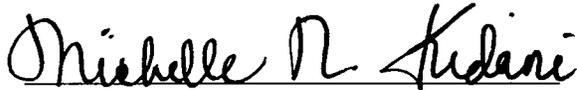
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

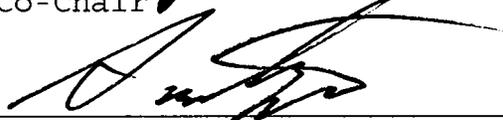
ON THE PART OF THE SENATE



JUSTIN H. WOODSON
Co-Chair



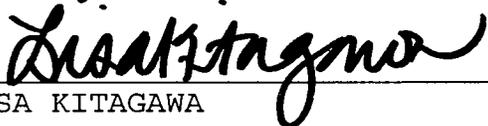
MICHELLE N. KIDANI
Chair



SCOT Z. MATUYOSHI
Co-Chair



GILBERT S.C. KEITH-AGARAN
Co-Chair



LISA KITAGAWA
Co-Chair



