STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 17 , 2023

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

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 1518, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to temporarily provide procurement exemptions for the Department of Education for certain goods, services, and construction.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that, as the largest department in the State with two hundred ninety-five schools and forty-two thousand salaried and part-time employees, the Department of Education must procure numerous goods, services, and construction to run its operations. However, the Hawaii public procurement code requires the Department of Education to comply with procurement laws for its purchases triggered by certain threshold amounts. Furthermore, the electronic procurement system places a heavy burden on school administrators and further strains their already limited time and resources because of the system's complicated and



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onerous nature. Your Committee believes that exempting the Department of Education from small purchase procurement requirements will help the Department timely procure necessary goods, services, and construction.

Your Committee has amended this measure by:

2023-2652 SB1518 HD1 HSCR HMSO

- (1) Changing the effective date to June 30, 3000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Labor & Government Operations, should it deliberate on this measure, to consider the concerns raised by the State Procurement Office in its written testimony.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1518, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1518, S.D. 2, H.D. 1, and be referred to your Committee on Labor & Government Operations.

> Respectfully submitted on behalf of the members of the Committee on Education,

Chair

State of Hawaii House of Representatives The Thirty-second Legislature

Record of Votes of the Committee on Education

Bill/Resolution No.:Committee Referral:Date:SB1518SD2EON, LGO, FIN3/16/23				
The committee is reconsidering its previous decision on the measure.				
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)				
EDN Members	Ayes	Ayes (WR)	Nays	Excused
1. WOODSON, Justin H. (C)				
2. MARTEN, Lisa (VC)				
3. EVSLIN, Luke A.				Protection Protection
J. EVELA, Dake A.				
4. KAPELA, Jeanne				
5. LA CHICA, Trish				
6. MARTINEZ, Rose				
7. MATAYOSHI, Scot Z.				
8. PERRUSO, Amy A.				/
9. QUINLAN, Sean				
10. TODD, Chris				
11. GARCIA, Diamond				
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TOTAL (11)	9			2
The recommendation is: Image: Adopted life Image: Not Adopted life If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				