

STAND. COM. REP. NO. 2179

Honolulu, Hawaii

FEB 07 2024

RE: S.B. No. 2070  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2070 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to temporarily exempt career and technical education goods and services purchases by the Department of Education from the State Procurement Code.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Education; and Hawaii State Energy Office.

Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that career and technical education experience provides students with immersive on-the-job exposure during their educational careers. Career and technical education provides students with the opportunity to use innovative equipment, such as flight and welding simulators for hands-on lessons. However, the procurement process to acquire equipment can deter schools from purchasing valuable classroom tools, forcing students to seek exploratory opportunities beyond high school graduation. To ensure consistency with overall state goals



in education and workforce development, this measure creates greater accessibility for educational and career pathways.

Your Committee acknowledges that certain career and technical education equipment may be difficult to procure through a competitive process due to limited equipment options or a limited number of vendors who sell the product. Requiring the Department of Education to find the cheapest product could significantly delay its ability to provide valuable education experience that can only be gained through using industry standard equipment. However, your Committee notes the importance of ensuring transparency and the balance of interests when it comes to procurement. According to the Department of Education's testimony, the Department is prepared to implement policies to require that any purchase up to \$100,000 be checked by the complex area superintendent (which is not currently the existing practice, but instead the Department relies on periodic internal audits). Existing law further requires executive branch agencies to obtain three verbal or written quotes for certain small purchases, the practice of which your Committee believes would provide a tailored check and balance for the Department of Education's purchases of career and technical education equipment below the \$100,000 threshold. Therefore, amendments to this measure are necessary to reflect your Committee's discussion with the Department of Education that occurred at the public hearing on this measure.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Education to obtain three written or verbal quotes for career and technical education purchases of not more than \$100,000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 2070, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2070, S.D. 1, and be referred to your Committee on Ways and Means.



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

  
MICHELLE N. KIDANI, Chair



