CONFERENCE COMMITTEE REP. NO. 95

Honolulu, Hawaii

APR 2 6 2024

RE: S.B. No. 2536

- S.D. 1
- H.D. 1
- C.D. 1

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

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 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. 2536, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT PREFERENCES AND RECIPROCITY,"

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 amend the Hawaii Public Procurement Code by:

- Establishing a new accounting services procurement preference for certain Hawaii accounting service businesses; and
- (2) Clarifying that the existing reciprocity procurement preference includes offerors under the provisions governing competitive sealed bids and competitive sealed proposals.



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Your Committee on Conference finds that the State can encourage the growth and sustainability of businesses that employ Hawaii residents by providing those businesses with a competitive edge in government service contracts through the establishment of procurement preferences. The procurement preference established by this measure incentivizes public accounting firms with offices in the State to increase career opportunities for residents to provide accounting services to the government, while the expansion of the reciprocity exemption would further support fair competition with other public accounting firms that operate out of low-cost jurisdictions and do not have offices in the State. Your Committee on Conference respectfully requests that any departments affected by this measure communicate to the Legislature on the impact of this measure on the State.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of July 1, 2024, and a repeal date of July 1, 2028; and
- (2) 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. 2536, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2536, S.D. 1, H.D. 1, C.D. 1.





Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ANGUS L.K. MCKELVEY

Chair

MAILE S.L. SHIMABUKURO Co-Chair



Hawai'i State Legislature

CLR 95-24

Record of Votes of a Conference Committee

Conference Committee							2:45PMA			
Bill / Concurrent Resolution No.: SB 2536, SD 1, HD 1					Date/Time: $\mathcal{H} \cdot \mathcal{L} \cdot \mathcal{L} \mathcal{H}$)+1	13	PT	n	
A The recommendation of the House	and S	Senate	mana	gers	s to pass with amendments (CD).					
The Committee is reconsidering its						-				
The recommendation of the Scnate Manager(s) is to AGREE to the House amendments made to the Senate Measure				The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.						
Senate Managers	A	WR	N	E	House Managers	A	WR	Ν	Е	
MCKELVEY, Angus L.K., Chr.	V				MATAYOSHI, Scot Z., Co-Chr.	V				
SHIMABUKURO, Maile S.L., Co-Chr.	1/				NAKASHIMA, Mark M., Co-Chr.				V	
FEVELLA, Kurt				[/	GARRETT, Andrew Takuya, Co-Chr.	5/				
					KITAGAWA, Lisa				V	
					LAMOSAO, Rachele F.	V				
					ALCOS III, David	V				
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A Aye WI	A Aye WR = Aye with Reservation				s N = Nay	$\mathbf{E} = \mathbf{E}\mathbf{x}\mathbf{c}$	used	•		
Senate Recommendation is:				House Recommendation is:						
Adopted D Not Adopted				Adopted Not Adopted						
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:						
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