

STAND. COM. REP. NO.

2565

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3184
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 Government Operations, to which was referred S.B. No. 3184 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize emergency procurements in situations such as equipment failure and repairs to public property that are necessary to protect against further loss or damage to public property, or to prevent or minimize serious disruptions in government services; and
- (2) Remove the need for approval of the Chief Procurement Officer for these emergency procurements, provided that the head of the purchasing agency making the procurement accounts for the money spent submits an accounting report to the Legislature within sixty days after the end of the fiscal year in which the emergency procurement was made.

Your Committee received testimony in support of this measure from the Department of Law Enforcement, Hawaii State Public Library System, and one individual.



Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that existing public procurement code does not include situations of an unusual or compelling urgency that, without the continued government service, would be a threat to life, public health, welfare, or safety. This measure allows emergency procurements in those circumstances thereby allowing greater flexibility and efficiency for the appropriate department or agency to directly address the need, determine and perform appropriate action, and close out financial obligations to restore the conditions of the property or operation against further loss, damage, or serious disruptions in essential government services, while retaining government accountability and transparency.

However, your Committee recognizes the concerns raised by the State Procurement Office and notes that other agencies have attempted to justify the use of after-the-fact emergency procurement for systemic and maintenance-related projects that could have been avoided with regular monitoring or prevention programs. Accordingly, there is a need to amend this measure to address this concern.

Your Committee has amended this measure by:

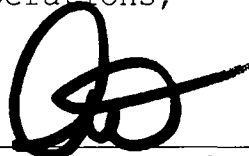
- (1) Narrowing the scope of this measure to a three-year pilot program that authorizes the Department of Law Enforcement to contract for goods, services, and construction through emergency procurement for the district described in section 4-1(2)(D), Hawaii Revised Statutes, under certain circumstances;
- (2) Requiring the Director of Law Enforcement to submit a report to the Legislature on the pilot project; and
- (3) 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. 3184, as amended herein, and recommends that it pass



Second Reading in the form attached hereto as S.B. No. 3184,
S.D. 1, and be referred to your Committee on Ways and Means.

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.:* SB 3184	Committee Referral: GVO, WAM	Date: 2/8/2024		
<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**