

Honolulu, Hawaii

MAR 25 , 2026

RE: S.B. No. 2075  
S.D. 1  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred S.B. No. 2075, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require purchasing agencies to apply a five percent flat rate local preference in evaluating bids or proposals from qualified Hawaii bidders or offerors who submit a timely preference certification;
- (2) Establish criteria for a bid or proposal to qualify for a local preference;
- (3) Establish requirements for the qualification and certification of Hawaii bidders and offerors and consequences for failure to maintain qualification; and
- (4) Require the Procurement Policy Board to adopt rules to implement the Hawaii bidder preference and Hawaii offeror preference.



Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Economic Revitalization Commission of the City and County of Honolulu; Office of Economic Revitalization of the City and County of Honolulu; Retail Merchants of Hawaii; Hawaii Food Industry Association; Kapolei Chamber of Commerce; Chamber of Commerce Hawaii; Holomua Collaborative; Mana Up; aio Family of Companies; HPM Building Supply; Title Guaranty of Hawai'i; Hawai'i Island Chamber of Commerce; Maui Chamber of Commerce; Hawai'i Farm Bureau; and two individuals. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that supporting local businesses strengthens the State's economy by increasing employment, expanding workforce and business capacity, and enhancing economic sustainability. Your Committee further finds that public procurement is a significant exercise of the State's purchasing power. Your Committee recognizes that procurement policies designed to support in-state businesses, including local preference programs, can help bolster economic growth and diversification in Hawaii. This measure seeks to support Hawaii's businesses by establishing a local preference for qualified Hawaii bidders or offerors, subject to certain conditions.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2075, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2075, S.D. 1, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Technology,

  
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GREGGOR ILAGAN, Chair



Record of Votes of the Committee on Economic Development & Technology

Bill/Resolution No.: <b>SB 2075 SDI</b>	Committee Referral: <b>ECD, FIN</b>	Date: <b>3/20/2006</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. ILAGAN, Greggor (C)	/			
2. HUSSEY, Ikaika (VC)	/			
<del>3. HOLT, Daniel</del>				
4. TAM, Adrian K.	/			
5. TEMPLO, Shirley Ann	/			
6. YAMASHITA, Kyle T.	/			
7. GEDEON, Joe	/			
<b>TOTAL</b> <b>25 (6)</b>	<b>6</b>	—	—	—
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; margin-left: 100px;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				