

Honolulu, Hawaii

APR - 6 2006

RE: H.B. No. 2199
H.D. 2
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Judiciary and Hawaiian Affairs, to which was referred H.B. No. 2199, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTERNATIONAL TRADE AGREEMENT,"

begs leave to report as follows:

The purpose of this measure is to prohibit state officials from binding the State to government procurement rules in an international trade agreement without legislative action.

Your Committee received testimony in support of this measure from the Hawaii State AFL-CIO; the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and the ILWU Local 142.

Your Committee finds that a number of today's international free trade agreements contain policy obligations and restrictions that would take precedence over state and local government provisions relating to state purchasing laws and preferences. These trade agreements may undermine state and local laws in some cases, such as laws relating to the minimum amounts of recycled materials that must be used in certain instances, laws discouraging off-shoring of jobs, and laws encouraging the purchase of locally-produced goods and services. Your Committee finds that giving up such local restrictions and requirements is not to be done lightly. This measure will prohibit the binding of the State to government procurement rules contained in an



international trade agreement without legislative knowledge and approval.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2199, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Hawaiian Affairs,



COLLEEN HANABUSA, Chair



