

STAND. COM. REP. NO.

2823

Honolulu, Hawaii

FEB 29 2008

RE: S.B. No. 2867  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred  
S.B. No. 2867, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT  
CODE,"

begs leave to report as follows:

The purpose of this measure is to provide that any false  
information or misrepresentation knowingly placed in a public  
procurement bid or a proposal shall be a basis for not awarding  
the bid or contract to that person, and to subject that person to  
a mandatory suspension from bidding on any contract for one year.

Your Committee received testimony in support of this measure  
from the Department of Accounting and General Services and the  
State Procurement Office.

Your Committee finds that this measure provides consequences  
to offerors who compromise the integrity of the State's  
procurement laws to gain the award of a bid or contract by  
knowingly attempting to deceive procurement officers through the  
provision of false information.

Your Committee has amended this measure as follows by:

- (1) Deleting sections 1 through 6;
- (2) Inserting a section that amends section 103D-310, Hawaii  
Revised Statutes, relating to the responsibilities of



offerors, to include language that embody the intent of the measure as received by the Committee but do so in a unified manner;

- (3) Replacing the term "affiliate" with "subcontractor", since rules adopted pursuant to chapter 103D, Hawaii Revised Statutes, include a definition for "subcontractor" that includes any person who enters into an agreement with the contractor to perform the work of the contractor; and
- (4) Referencing section 103D-702, Hawaii Revised Statutes, relating to the chief procurement officer's authority to debar or suspend, as the applicable section to address debarment and suspension from bidding provisions.

Your Committee has made these amendments based on the recommendation of the State Procurement Office to simplify the applicability of this measure's intent to all source selection methods of procurement.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2867, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2867, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,

  
BRIAN T. TANIGUCHI, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:* <b>SB 2867 SD1</b>	Committee Referral: <b>TSG, JDL</b>	Date: <b>2-22-08</b>
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The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312    
  Pass, with amendments 2311    
  Hold 2310    
  Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, BRIAN T. (C)	✓			
HEE, Clayton (VC)				✓
GABBARD, Mike	✓			
KOKUBUN, Russell S.				✓
NISHIHARA, Clarence K.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>

Recommendation:    
 Adopted    
 Not Adopted

Chair's or Designee's Signature:

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\*Only one measure per Record of Votes