STAND. COM. REP. NO.

1148

Honolulu, Hawaii

APR 0 3 2009 RE: S.R. No. 66 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Judiciary and Government Operations, to which was referred S.R. No. 66 entitled:

"SENATE RESOLUTION REQUESTING THE FORMATION OF A JOINT LEGISLATIVE PROCUREMENT WORKING GROUP TO EVALUATE THE STATE PROCUREMENT CODE AND RECOMMEND IMPROVEMENTS,"

begs leave to report as follows:

The purpose of this measure is to request the Legislature to form a joint legislative procurement working group to evaluate the state procurement code and recommend improvements.

The joint legislative procurement working group is also requested to report any findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2010.

Your Committee received testimony in support of this measure from government entities and private organizations. Written testimony presented to the Committee may be reviewed on the Legislature's website.

The Hawaii Public Procurement Code, enacted by Act 8, Special Session Laws of 1993 and codified as chapter 103D, Hawaii Revised Statutes, and its accompanying administrative rules encompass a complex process for soliciting and awarding public contracts. Many of the complexities of the Hawaii Public Procurement Code result in needless delays in the awarding of contracts that often

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result in the failure to provide needed services and facilities to Hawaii's residents in a timely manner.

The Hawaii Public Procurement Code should be streamlined, where possible, to adapt to economic emergency situations, such as the current recession, that may require the speedy awarding of contracts financed by federal stimulus funds. At minimum, the Hawaii Public Procurement Code is in need of review to find efficiencies and improve the overall effectiveness of the procurement process.

Your Committee has amended this measure by:

- Adding a Whereas and a Resolved clause to refer to the review by the joint legislative procurement working group of legislation proposed by the State Procurement Office for consideration in the 2010 Regular Session;
- (2) Adding to the joint legislative procurement working group a representative from each of the General Contractors Association of Hawaii and Subcontractors Association of Hawaii; and
- (3) Making a technical amendment to clarify the nature of participation by a representative of the Hawaii Procurement Institute.

As affirmed by the record of votes of the members of your Committee on Judiciary and Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 66, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 66, S.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Judiciary and Government Operations,

TANIGUCHI, BRIAN T.



The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Judiciary and Government Operations JGO

Bill / Resolution No.:*	Committee Referral:			Date:	
SR66	JGO, NAM			4/2/2009	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)					
TAKAMINE, Dwight Y. (VC)					
BUNDA, Robert					
GABBARD, Mike					V
NISHIHARA, Clarence K.	10.55 ¹⁰⁰⁰ 1011 1011 1011				
SLOM, Sam					
			*		
TOTAL	1	4	1	0	1
Recommendation:					
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