

Honolulu, Hawaii

FEB 26 2010

RE: S.B. No. 2659

S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2659, 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 streamline the procurement process by repealing part XIII, chapter 103D, Hawaii Revised Statutes (procurement code), and to reenact the substance of its provisions regarding procurement of recycled oil products as a new section in part X, chapter 103D, Hawaii Revised Statutes.

More specifically, this measure:

- (1) Provides a preference in the Hawaii Procurement Code for the purchase of lubricating oil and industrial oil that contains the greatest percentage of recycled oil;
- (2) Allows purchase of oil with a lower percentage of recycled oil if the oil with a greater percentage of recycled oil is not readily available, does not meet performance specifications, costs more than virgin oil, or is likely to breach a vehicle or machine warranty requiring virgin oil;
- (3) Authorizes establishment of an affirmative program for procuring oils containing the greatest percentage of recycled oils;



- (4) Provides that contracts for the purchase of diesel fuel or boiler fuel may be awarded to the lowest responsible bidder, with preference given to bids for biofuels or blends of biofuels and petroleum fuel; and
- (5) Adds seven new definitions to section 103D-1001, Hawaii Revised Statutes, to add further clarity and consistency to chapter 103D, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Requiring that contracts for the purchase of diesel fuel or boiler fuel be awarded to the lowest responsible bidder, with preference given to bids for biofuels or blends of biofuels and petroleum fuel; and
- (2) Deleting the definition of "soil enhancement product" contained in subsection 103D-1002(k), Hawaii Revised Statutes, because the same definition is being added as a new definition applicable to all procurement code provisions relating to preferences.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2659, S.D. 2.


Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONNA MERCADO KIM, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2659 SPI	J60/ENE, WAM	2.23.10		
<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
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol				/
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred				/
TOTAL	9	0	0	3
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