

Honolulu, Hawaii

, 2011

APR 29 2011

RE: S.B. No. 1221
S.D. 2
H.D. 1
C.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1221, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Authorize a contractor to withdraw a bid prior to an award of a contract if the contractor finds that it is unable to comply with the eighty percent Hawaii resident workforce requirement; and
- (2) Amend the sanctions for general contractors and subcontractors who fail to comply with requirements under state resident employment requirements under chapter 103B, Hawaii Revised Statutes.



Section 103B-3, Hawaii Revised Statutes, requires that at least eighty percent of the workforce on certain construction projects must be Hawaii residents. This measure is intended to ease the administrative burden on general contractors and subcontractors by, among other things, requiring them to certify compliance with section 103B-3, Hawaii Revised Statutes, only once at final completion of the contract.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the withdrawal of a bid by the contractor is without penalty;
- (2) Deleting the sanction of recovery by the State or county of any monies expended on the contract or subcontract; and
- (3) Inserting an effective date of July 1, 2011.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1221, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1221, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



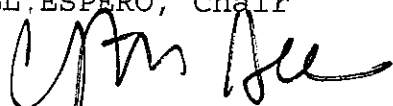
 KARL RHOADS, Co-Chair



 WILL ESPERO, Chair



 ANGUS L.K. MCKELVEY, Co-Chair



 CLAYTON HEE, Co-Chair



 KYLE T. YAMASHITA, Co-Chair



