

STAND. COM. REP. NO.

2372

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 2457
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Public Safety, Government Operations, and
Military Affairs, to which was referred S.B. No. 2457 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to require a
hearings officer to affirm the decision of a procurement officer
in protests, unless the procurement officer's decision is shown by
clear and convincing evidence to be arbitrary, capricious,
fraudulent, or clearly erroneous.

Your Committee received testimony in support of this measure
from General Contractors Association of Hawaii; Ralph S. Inouye
Co. Ltd; Associated Builders and Contractors Inc.; Grace Pacific
Corporation; King & Neel, Inc.; S & M Sakamoto, Inc.; Healy
Tibbitts Builders, Inc.; Royal Contracting Co., Ltd.; Nordic
Construction PCL; Rons Construction Corporation; and Forest City
Military Communities Hawaii. Testimony in opposition to this
measure was received from the Department of Commerce and Consumer
Affairs.

Your Committee finds that the intent of this measure is to
simplify and expedite the procurement appeal process by
recognizing the procuring agency's experience and expertise in the
procurement process, while preserving the right of review of a
procuring agency's decision to the Department of Commerce and
Consumer Affairs.



Your Committee has amended this measure by:

- (1) On the recommendation of the General Contractors Association of Hawaii, inserting additional language that details a hearings process that better balances the expediting of procurements delayed by constant protest appeals with preservation of the right of review of a procuring agency's decision; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Government Operations, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2457, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2457, S.D. 1, and be referred to the Committee on Judiciary and Labor.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety,
Government Operations, and
Military Affairs,



WILL ESPERO, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Public Safety, Government Operations, and
Military Affairs
PGM

Bill / Resolution No.:* SB 2457	Committee Referral: PGM, JDL	Date: 2-16-12		
<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
ESPERO, Will (C)	✓			
KIDANI, Michelle N. (VC)	✓			
BAKER, Rosalyn H.	✓			
RYAN, Pohai	✓			
SLOM, Sam		✓		
TOTAL	4	1	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes