

STAND. COM. REP. NO. 160

Honolulu, Hawaii

FEB 11 2013

RE: S.B. No. 1275

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Water and Land and Economic Development, Government Operations and Housing, to which was referred S.B. No. 1275 entitled:

"A BILL FOR AN ACT RELATING TO THE KAHO'OLAWA ISLAND RESERVE COMMISSION,"

beg leave to report as follows:

The purpose and intent of this measure is to grant the Kaho'olawe Island Reserve Commission (Commission) a permanent procurement exemption for the procurement of food or fuel products necessary for the Commission to carry out the purposes of chapter 6K, Hawaii Revised Statutes, relating to the Kaho'olawe Island Reserve law.

Your Committees received testimony in support of this measure from the Kaho'olawe Island Reserve Commission.

Your Committees find that strict adherence to procurement code requirements is frequently not practicable for the Commission or advantageous to the State.

Act 159, Session Laws of Hawaii 2010, provided a temporary procurement exemption to the Commission. The exemption sunsets on July 1, 2013. Your Committees find that the uniqueness of the Commission's work necessitates a procurement exemption. For example, personnel and cargo are typically transported between Maui and Kaho'olawe by boat, and helicopter transportation is used only sparingly due to its high cost. Both methods of



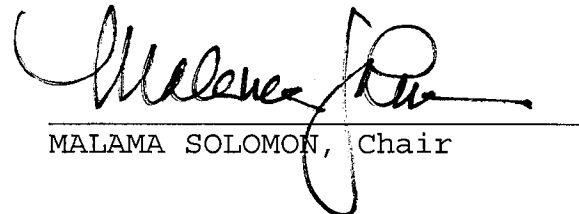
transportation involve several variables, including the weather, mechanical functions, and personnel availability. Additionally, both methods of transportation have size and weight limitations for their cargo. The Commission's requirements for fuel products are also unique in the State, as the Commission takes delivery and transports its own fuel supplies in multiple forms, such as bulk and barrel, which are not currently provided by the state contracted fuel provider. Furthermore, food vendor prices change weekly, if not more frequently, and the Commission's food orders change weekly in terms of products and quantities ordered.

Purchasing flexibility under the current temporary exemption has allowed the Commission to make the most cost effective and healthiest selections of local produce when available. Testimony of the Commission indicates that it has been able to reduce waste by purchasing smaller quantities on sale or at reduced prices, whereas purchasing from the state price list would entail larger bulk orders tailored for much larger institutions and operations.

As affirmed by the records of votes of the members of your Committees on Water and Land and Economic Development, Government Operations and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1275 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Economic Development,
Government Operations and
Housing,



DONOVAN M. DELA CRUZ, Chair


MALAMA SOLOMON, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

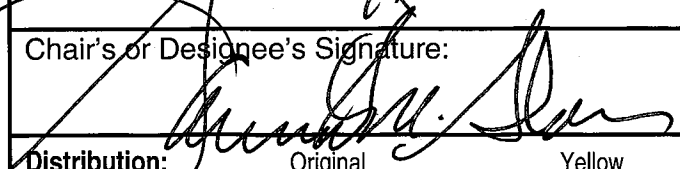
Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1275	WTL/EGH, WAM	2/5/13		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SOLOMON, Malama (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
DELA CRUZ, Donovan M.	✓			
IHARA, Jr., Les				✓
RUDERMAN, Russell E.				✓
THIELEN, Laura H.				✓
SLOM, Sam			✓	
TOTAL	3	0	1	3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes

The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Economic Development, Government Operations and Housing
EGH

Bill / Resolution No.:* SB1275	Committee Referral: WTL/EGH, WAM	Date: 2/5/13		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
SLOM, Sam (VC)			X	
BAKER, Rosalyn H.	X			
CHUN OAKLAND, Suzanne		X		
ENGLISH, J. Kalani	X			
THIELEN, Laura H.				X
WAKAI, Glenn	X			
TOTAL	4	1	1	1
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