

Honolulu, Hawaii

February 9, 2015

RE: H.B. No. 1028

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 1028 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to establish a special innovative procurement process to provide the State with greater flexibility in the procurement of certain goods and services to meet unique or unusual needs or situations while maintaining the accountability and transparency afforded by the State Procurement Code.

The State Procurement Office testified in support of this measure. The Department of Transportation testified in support of the intent of this measure. The American Council of Engineering Companies of Hawaii provided comments.

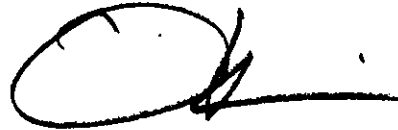
Currently, when unique or unusual circumstances arise in the public procurement process, the State lacks the flexibility in the procurement code to respond in an effective, efficient, and timely manner. According to the State Procurement Office, exemptions from the procurement code are provided in many of these instances, which has resulted in millions of dollars of goods and services being procured with minimal accountability. The creation of a new process for the procurement of goods and services in these situations would provide the State with the flexibility it needs to balance the reality of an ever changing marketplace with the



guiding principles of government contracting and the State's responsibility to the public.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1028 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



DEREK S.K. KAWAKAMI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 41

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: <i>HB 1028</i>	Committee Referral: <i>EDB, CPC, FIN</i>	Date: <i>2/3/15</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. KAWAKAMI, Derek S.K. (C)	✓			
2. KONG, Sam Satoru (VC)	✓			
3. BROWER, Tom	✓			
4. CACHOLA, Romy M.	✓			
5. CHOY, Isaac W.	✓			
6. ITO, Ken				✓
7. OHNO, Takashi	✓			
8. ONISHI, Richard H.K.	✓			
9. TOKIOKA, James Kunane	✓			
10. TSUJI, Clift	✓			
11. WOODSON, Justin H.	✓			
12. MATSUMOTO, Lauren Kealohilani	✓			
13. WARD, Gene	✓			
TOTAL (13)	12			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <i>Gene Ward</i>				
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