

Honolulu, Hawaii

April 28, 2016

RE: H.B. No. 2018
H.D. 1
S.D. 1
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2018, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT PROCESSES AND SERVICES,"

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) Establish guidelines for the management of capital improvement projects; and
- (2) Require the Department of Accounting and General Services to submit a status report on the implementation of practices required by this measure no later than twenty days prior to the Regular Session of 2017.



Your Committee on Conference believes that this measure is necessary in light of the Office of the Auditor's Report No. 15-13, Study of State Departmental Engineering Sections That Manage Capital Improvement Projects, which found inconsistent adherence to best practices in the execution and application of capital improvement projects throughout state government. Anecdotal information suggests that work is completed with a "get the job done" attitude rather than with the goal of meeting program needs, project goals and objectives, and providing customer service.

While the Administration indicated an interest in pursuing these goals, your Committee on Conference believes that it is important to provide legislative guidance for the execution of this effort. This measure will require:

- (1) Using timelines that include a comprehensive list of all activities required on a project, including all phases in the project's life cycle, namely, the initiation, planning, design, bid, construction, and post-construction phases;
- (2) Tracking payments and deliverables in accordance with state procurement guidelines; and
- (3) Identifying and involving stakeholders throughout a capital improvement project's execution and closing to help ensure end-user satisfaction with the project.

Creating these uniform expectations will assist the Legislature in executing oversight on capital improvement project expenditures and provide a basis for future project authorizations.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2016.

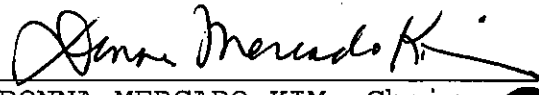

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2018, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2018, H.D. 1, S.D. 1, C.D. 1.




Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE


DONNA MERCADO KIM, Chair

DONOVAN M. DELA CRUZ, Co-
Chair


MARK M. NAKASHIMA, Co-Chair

JARRETT KEOHOKALOOLE, Co-Chair



Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: HB 2018, HD 1, SD 1	Date/Time: April 26, 2016 11:04 AM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

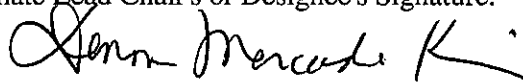
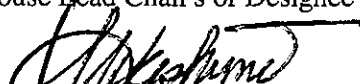
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KIM, Donna Mercado, Chr.	X				NAKASHIMA, Mark M., Co-Chr.	X			
DELA CRUZ, Donovan M., Co-Chr.	X				KEOHOKALOOLE, Jarrett, Co-Chr.	X			
SLOM, Sam				X	YAMASHITA, Kyle T.	X			
					WARD, Gene	X			
TOTAL	2	0	0	1	TOTAL	4	0	0	0

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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