

STAND. COM. REP. NO.

79

Honolulu, Hawaii

February 7, 2017

RE: H.B. No. 1415

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1415 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to establish additional performance bond requirements for surety companies and bond companies under the Hawaii Public Procurement Code.

The State Procurement Office, Ironworkers Stabilization Fund, Electrical Contractor's Association of Hawaii, and Subcontractors Association of Hawaii testified in support of this measure. The Hawaii Captive Insurance Council and Risk Solution Partners, LLC testified in opposition. The General Contractors Association of Hawaii and American Insurance Association provided comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that all surety companies and bond companies involved with a project be United States Treasury listed bond companies; and
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion.



As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1415, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1415, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



AARON LING JOHANSON, Chair



