

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2602
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2602, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to ensure compliance with the State Procurement Code by executive departments, divisions, and agencies. Specifically, this measure requires:

- (1) The State Procurement Policy Board to conduct annual compliance examinations of procurement contracts that are over \$50,000 of at least two executive departments, divisions, or agencies;
- (2) The State Procurement Policy Board to select any department, division, or agency for a compliance examination to ensure compliance with the State Procurement Code; and
- (3) The State Procurement Office to report its findings to the Legislature.

The State Procurement Office supports the intent of this measure.

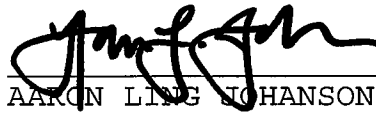


Your Committee has amended this measure by:

- (1) Changing the minimum number of executive departments, divisions, or agencies that are required to undergo annual compliance examinations by the State Procurement Policy Board from two to an unspecified number; and
- (2) Changing the 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 S.B. No. 2602, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2602, S.D. 1, 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 LINE JOHANSON, Chair



