

STAND. COM. REP. NO.

687

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 1146
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1146 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require that past performance be considered in future bid selection of contractors for sole source contracts and any competitive sealed bid or proposal contracts that meet or exceed the small purchase threshold;
- (2) Require procurement officers to include past performance in the specific factors considered in a determination of offeror responsibility; and
- (3) Appropriate funds for implementation.

The Subcontractors Association of Hawaii and an individual testified in support of this measure. The Department of Accounting and General Services, City and County of Honolulu Department of Design and Construction, and City and County of Honolulu Department of Budget and Fiscal Services opposed this measure. The State Procurement Office provided comments on this measure.

HB1146 HD1 HSCR LAB HMS 2019-2101



Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes existing procurement law allows consideration of past performance as an evaluating criterion to determine an offeror's responsibility. Past performance is also considered in all selections of professional services contractors as required by Section 103D-304, Hawaii Revised Statutes.

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. 1146, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1146, 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 LUNG JOHANSON, Chair



