STAND. COM. REP. NO. 1679

Honolulu, Hawaii

APR 0 9 2021

RE: H.B. No. 526 H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 526, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to increase efficiency and cost-effectiveness in public procurement.

More specifically, this measure:

- (1) Defines "past performance" with regard to contractors;
- (2) Requires procurement officers to consider specific factors, including past performance, when available;
- (3) Requires the State Procurement Office to establish and administer a past performance database; and
- (4) Appropriates moneys for the development, implementation, and training of certain procurement resources tools, including a past performance guide and past performance database.

Your Committee received written comments in support of this measure from the Department of Transportation.



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Your Committee received written comments in opposition to this measure from the General Contractors Association of Hawaii.

Your Committee received written comments on this measure from the Department of Accounting and General Services and State Procurement Office.

Your Committee finds that, in the procurement process, considering a contractor's past performance and creating and maintaining a past performance database will help to address issues of repeated inefficiencies and substandard work.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 526, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 526, H.D. 1, S.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means

DONOVAN M. DELA CRUZ, Chai



The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Date:			
HB 526, HD 1, SD 1	GVO, WAM		4/7/21			
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (W	R)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X				
KEITH-AGARAN, Gilbert S.C. (VC)		X				
ENGLISH, J. Kalani		X				
INOUYE, Lorraine R.		X				
KANUHA, Dru Mamo		X				
KIDANI, Michelle N.		X				
MORIWAKI, Sharon Y.		X				
SHIMABUKURO, Maile S.L.		X				
TANIGUCHI, Brian T.		X				
WAKAI, Glenn		X				
FEVELLA, Kurt		X				
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TOTAL		11				
Recommendation:						
Chair's or Designee's Signature:						
OD AC Fith Clan						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

*Only <u>one</u> measure per Record of Votes