

STAND. COM. REP. NO.

943

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 789
S.D. 2

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

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 789, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize a special procurement process for the procurement of goods and services;
- (2) Require the Procurement Policy Board to establish rules and procedures for the special procurement process by December 31, 2021;
- (3) Require the head of a purchasing agency to prepare a procurement plan and submit the plan to the Attorney General or Corporation Counsel; and
- (4) Require the head of a purchasing agency to electronically post, for at least one year, public notice of special procurement contracts within seven days of the contract award.

Your Committees received testimony in support of this measure from the Department of Transportation. Your Committees received comments on this measure from the State Procurement Office.



Your Committees find that competition in the public procurement process is necessary to prevent favoritism, collusion, or fraud in the award of public contracts. Your Committees further find, however, that increased flexibility in the procurement process is needed to respond in a timely and appropriate manner to changing and challenging circumstances. This measure will provide greater flexibility while preserving transparency and integrity in the procurement process.

Your Committees have amended this measure by:

- (1) Requiring the head of a purchasing agency to electronically post all contracts awarded through a special procurement process;
- (2) Inserting an effective date of May 6, 2137, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 789, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 789, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Ways and Means,



DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 789, SD1	GVD, JDC/WAM	3/3/21		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	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		
TOTAL	9	1		1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes