

STAND. COM. REP. NO.

164

Honolulu, Hawaii

, 2021

FEB 11

RE: H.B. No. 1067

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Higher Education & Technology, to which was referred H.B. No. 1067 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT FOR THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose of this measure is to permanently establish the authority of the University of Hawaii President to act as the Chief Procurement Officer for the University of Hawaii for all procurement contacts under the Hawaii Public Procurement Code.

Your Committee received testimony in support of this measure from the University of Hawai'i System and General Contractors Association of Hawaii.

Your Committee finds that Act 87, Session Laws of Hawaii 2013 (Act 87), was enacted in response to the Legislature's concerns about the prudent and transparent management of public funds appropriated by the Legislature and expended by the University of Hawaii. Act 87 removed the authority of the University of Hawaii President to serve as the Chief Procurement Officer for the University of Hawaii for construction contracts and construction-related professional services contracts and assigned those responsibilities to the Administrator of the State Procurement Office. This, however, resulted in a bifurcated procurement

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system at the University of Hawaii in which a different set of rules and procedures applied depending on the type of procurement for University construction projects.

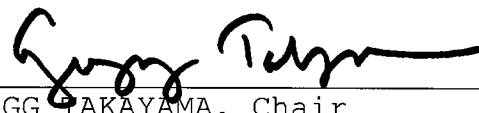
Your Committee further finds that a January 2016 report by the State Procurement Office, issued pursuant to Act 87, found: "Based on SPO's review of 102 UH construction solicitations, UH's Administrative Procedures, and fourteen (14) post-award Site Visits, SPO finds that UH is conducting construction procurements in a compliant, efficient, and transparent manner." Act 42, Session Laws of Hawaii 2018, was enacted to reinstate and restore full authority to the University of Hawaii President to act as the University's Chief Procurement Officer for all procurement contracts under the Hawaii State Procurement Code, however that authority is set to expire on June 30, 2021. This measure makes this authority permanent.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1067, H.D. 1, and be referred to your Committee on Government Reform.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education &
Technology,



GREGG TAKAYAMA, Chair



