

STAND. COM. REP. NO. 196 -22

Honolulu, Hawaii  
FEB 10 , 2022

RE: H.B. No. 2183  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Government Reform, to which was referred  
H.B. No. 2183 entitled:

"A BILL FOR AN ACT RELATING TO THE PROCUREMENT OF  
PROFESSIONAL SERVICES,"

begs leave to report as follows:

The purpose of this measure is to allow purchasing agencies  
to procure professional services when there are fewer than three  
qualified persons who respond to a professional service notice.

Your Committee received testimony in support of this measure  
from the University of Hawai'i System, Department of Accounting and  
General Services, and Department of Budget and Fiscal Services of  
the City and County of Honolulu. Your Committee received  
testimony in opposition to this measure from the American Council  
of Engineering Companies of Hawaii; American Institute of  
Architects, Hawaii State Council; Hart Crowser, Inc.; and three  
individuals. Your Committee received comments on this measure  
from the State Procurement Office.

Your Committee finds that existing law does not allow for an  
alternative if less than three qualified persons respond to a  
professional services notice. As a result, professional service  
procurements may be delayed indefinitely until the minimum number  
of qualified submissions is obtained. This measure provides state

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agencies with more timely alternatives to complete procurement of professional services when there are fewer than three qualified submissions.

Your Committee has accordingly amended this measure by:

- (1) Clarifying that if less than three qualified persons respond to a solicitation for professional services, a purchasing agency may submit a request for alternative procurement approval from the Chief Procurement Officer or Chief Procurement Officer's designee; and
- (2) Changing its effective date to July 1, 2112, to encourage further discussion.

Your Committee notes that the American Council of Engineering Companies of Hawaii indicated to your Committee that they would provide language to address the concerns raised in their testimony. However, your Committee has not yet received this language. Your Committee accordingly amended this measure using language provided by the State Procurement Office, as this will address policy goals without eliminating the competitive bidding process completely should there be less than three qualified professional servicers applying.

Should your Committee on Consumer Protection & Commerce choose to deliberate on this measure further, your Committee respectfully requests that your Committee on Consumer Protection & Commerce follow up with the American Council of Engineering Companies of Hawaii for suggested language that could alleviate the concerns raised in their testimony.

As affirmed by the record of votes of the members of your Committee on Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2183, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2183, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committee on Government Reform,



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ANGUS L.K. McKELVEY, Chair



