STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 12 , 2021

RE: H.B. No. 849 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 Government Reform, to which was referred H.B. No. 849 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to assist in the administration of procurement contracts in the State by:

- (1) Establishing a Contract Administration Office;
- (2) Requiring the Procurement Policy Board to adopt rules for the administration of contracts; and
- (3) Requiring the State Procurement Office to submit a progress report to the Legislature.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services and State Procurement Office.

Your Committee finds that the efficiency, quality, and administration of procurement contracts for capital improvement projects in the State is necessary and important to the economy.

Your Committee has amended this measure by:

- (1) Inserting a sunset date of June 30, 2026;
- (2) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised in testimony before your Committee that the establishment of a Contract Administration Office will duplicate many of the contract administrative functions currently discharged by several agencies. Due to these concerns, your Committee amended this measure to insert a sunset date of June 30, 2026, which, along with the State Procurement Office's report to the Legislature of the Regular Session of 2022, will allow for further evaluation of the effectiveness of the Contract Administration Office.

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. 849, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 849, 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,

ANGUS L.K. McKELVEY, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature

HSCR256

## **Record of Votes of the Committee on Government Reform**

1 - 0 1 -	nittee Referral:  Date:  2.16.21			
θ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: θ Pass, unamended (as is) Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)				
GVR Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	7			
	THE REAL PROPERTY.		<b>化学系统会</b> 类。	
2. WILDBERGER, Tina (VC)				
3. CULLEN, Ty J.K.	7		-	
<b>通行员们的位置设计划</b> 经济发展。				
4. ELI, Stacelynn K.M.				~
5. ICHIYAMA, Linda	H (A Delinia State Consultation)		Continues tempowers	7
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6. MIZUNO, John M.	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	STATE OF STREET	TABLE BEEN STORY	PENSON NEW PARK
7. WOODSON, Justin H.	CONTRACTOR VACUUM			Land Bank of the Control
7. WOODSON, Justin II.	NAME OF TAXABLE PARTY.		NAME AND DESCRIPTION	
8. YAMASHITA, Kyle T.				
DANGER STATE OF THE STATE OF TH				
9. WARD, Gene	7			1
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TOTAL (9)	7	0	0	2
The recommendation is:  Adopted  H joint referral,  committee acronym(s)  One of the process of				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				