STAND. COM. REP. NO. 2183

Honolulu, Hawaii

FEB 0 9 2022

RE: S.B. No. 2383 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred S.B. No. 2383 entitled:

"A BILL FOR AN ACT RELATING TO THE STATE PROCUREMENT POLICY BOARD,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the Hawaii Public Procurement Code by:

- (1) Repealing the State Procurement Policy Board and its nominating committee;
- (2) Transferring the authority and responsibilities of the repealed board to the administrator of the State Procurement Office; and
- (3) Streamlining the appointment process for the administrator of the State Procurement Office.

Your Committee received testimony in support of this measure from the State Procurement Office. Your Committee received testimony in opposition to this measure from the Hawai'i Alliance of Nonprofit Organizations.

Your Committee finds that there are several vacancies on the State Procurement Policy Board and that the Board has not been

active since May 2019, due to a lack of quorum. Coupled with the difficulty of attracting qualified candidates for the Board, your Committee finds that the continuous vacancies and inability to convene has hampered the Board's ability to carry out its statutory duties.

Accordingly, your Committee finds that repealing the State Policy Procurement Board and transferring its duties to the administrator of the State Procurement Office will facilitate and increase efficiency in the rule-making process for procurement in the State. Your Committee further finds that this measure will clarify that the State Procurement Office has the sole responsibility to adopt, amend, and repeal any administrative rules associated with the Hawaii Public Procurement Code.

Your Committee has amended this measure by:

- (1) Making necessary statutory conforming amendments; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2383, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2383, S.D. 1, and be referred to your Committee on Judiciary.

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

SHARON MORIWAKI Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee	Committee Referral:		Date:	
SB 2383	GVO, JDC			1/27/22	
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		Ауе	Aye (WR	R) Nay	Excused
MORIWAKI, Sharon Y. (C)		I X			
DELA CRUZ, Donovan M. (VC)		X			
CHANG, Stanley					X
GABBARD, Mike		X			,
FEVELLA, Kurt		L X			
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TOTAL		4			1
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee R		Yellow Pink Goldenrod oort Clerk's Office Drafting Agency Committee File Copy			

^{*}Only one measure per Record of Votes