

Honolulu, Hawaii

MAR 18 , 2022

RE: S.B. No. 2385
S.D. 2
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
S.B. No. 2385, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to authorize agencies
procuring professional services to request an exemption from the
Hawaii Public Procurement Code if fewer than three qualified
persons submit statements of qualifications.

Your Committee received testimony in support of this measure
from the Department of Transportation, State Procurement Office,
Department of Finance of the County of Kaua'i, 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 Institute of Architects Hawaii State Council.
Your Committee received comments on this measure from the American
Council of Engineering Companies of Hawaii and one individual.

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



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

Your Committee has amended this measure by:

- (1) Deleting language that would authorize agencies procuring professional services to request an exemption from the Hawaii Public Procurement Code if fewer than three qualified persons submit statements of qualifications;
- (2) Inserting language that authorizes an agency to seek approval for the alternative procurement of professional services if fewer than three qualified persons respond to an agency's solicitation; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee accordingly has amended this measure in a manner that will address policy goals without eliminating the competitive bidding process completely should there be less than three qualified professional servicers applying.

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 S.B. No. 2385, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2385, S.D. 2, 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



Record of Votes of the Committee on Government Reform

Bill/Resolution No.: SB 2385, SD2	Committee Referral: GVR, CPC, FIN	Date: 3-16-22		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> 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)	✓			
2. WILDBERGER, Tina (VC)	✓			
3. COSTALES, Luella	✓			
4. ELI, Stacelynn K.M.	✓			
5. ICHIYAMA, Linda	✓			
6. MIZUNO, John M.				✓
7. WOODSON, Justin H.	✓			
8. YAMASHITA, Kyle T.	✓			
9. WARD, Gene	✓			
TOTAL (9)	8	2	2	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				