

STAND. COM. REP. NO. 2931

Honolulu, Hawaii

MAR 04 2022

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

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2385, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce delays and costs in the procurement of professional services.

Specifically, this measure authorizes agencies to seek approval for the alternative procurement of professional services in situations where a procuring agency receives fewer than three bids or proposals from qualified persons.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, University of Hawaii, Department of Finance of the County of Kauai, and Department of Budget and Fiscal Services of the City and County of Honolulu.

Your Committee received written comments in opposition to this measure from the American Council of Engineering Companies of Hawaii, CONSOR Engineers, Yogi Kwong Engineers, Hart Crowser, AIA Hawaii State Council, and two individuals.

Your Committee received written comments on this measure from the State Procurement Office and Department of Transportation.



Your Committee finds that the procurement of professional services under section 103D-304, Hawaii Revised Statutes, currently requires a selection committee to rank a minimum of three interested persons based on the selection criteria, and to send the rankings to the head of the purchasing agency to begin negotiations. Your Committee further finds that when an agency seeking to procure professional services does not receive at least three responses to its contract solicitation, the agency must continue to solicit offers, which delays projects and increases costs for the State.

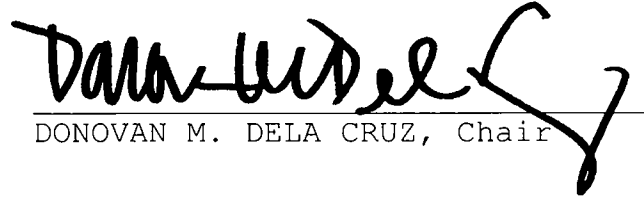
Your Committee has amended this measure by:

- (1) Deleting language that would authorize agencies to seek approval for the alternative procurement of professional services when the agency receives fewer than three bids or proposals from qualified persons;
- (2) Inserting language that authorizes agencies procuring professional services to request an exemption from chapter 103D, Hawaii Revised Statutes, pursuant to section 103D-102(b)(4)(L), Hawaii Revised Statutes, if fewer than three qualified persons submit statements of qualifications;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2385, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2385, S.D. 2.



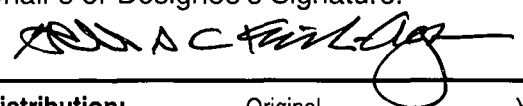
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 2385, SD1	Committee Referral: GND, WAM	Date: 2/22/22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MISALUCHA, Bennette E.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	11			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes