

Honolulu, Hawaii

, 2022

MAR 18

RE: S.B. No. 2387
S.D. 1
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. 2387, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to require agencies to publicly post the justification for cancelling an invitation for bids or request for proposals for a minimum of ten days on a purchasing agency or provider internet site or by any other method the procurement officer deems effective for publicizing the cancellation notice.

Your Committee received testimony in support of this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the preparation and submission of bids and proposals by offerors consume considerable time and resources. Vendors should therefore have the right to know the reason for the cancellation of a contract solicitation by a purchasing agency. Your Committee further finds that posting the reasons for cancellation on an electronic notification system will promote consistency, transparency, and efficiency in government.



Your Committee has amended this measure by:

- (1) Clarifying that the justification for cancellation must be publicly posted on a purchasing agency's or provider's website and by any other method the procurement officer deems effective; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee feels that giving the State Procurement Office the ability to publish the reasoning for cancelling an invitation for bids or requests for proposals by electronic means and by other methods will ensure that any and all interested parties will be given ample opportunities of notice.

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. 2387, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2387, S.D. 1, 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 2387, SD1	Committee Referral: GVR, CPL, 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	0	0	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				