

Honolulu, Hawaii

FEB 09 2022

RE: S.B. No. 2387

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. 2387 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to amend section 103D, Hawaii Revised Statutes, by requiring procuring agencies to publicly post, for a minimum period of ten days, the bases for cancelling an invitation for bid or request for proposal.

Your Committee received testimony in support of this measure from the State Procurement Office and the Associated Builders and Contractors-Hawaii Chapter.

Your Committee finds that transparency is one of the primary goals of the Hawaii State Procurement Code. Existing law contains certain transparency measures in the solicitation and award process but does not provide transparency regarding the cancellation of solicitations. Your Committee further finds that one of the requirements of ethical public procurement pursuant to section 103D-101, Hawaii Revised Statutes, includes ensuring that all persons are afforded an equal opportunity to compete in a fair and open environment. Your Committee finds that the transparency necessary for an open environment should apply in all stages of the procurement process, including when a solicitation is cancelled.

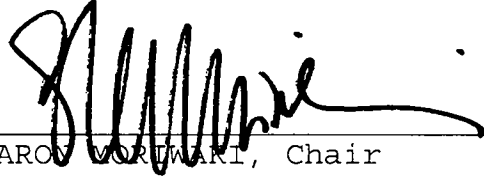


Your Committee additionally finds that the preparation and submission of bids and proposals can consume considerable resources and vendors should therefore have the right to know the bases for the cancellation of a solicitation. Your Committee also finds that the public has a right to know the specific reason why a solicitation was cancelled, which, currently, is noted in the project's contract file but is not publicly posted. And your Committee notes that, according to the State Procurement Office, posting the reason or reasons for a cancelled solicitation as proposed by this measure will promote consistency, transparency, and efficiency in government.

Accordingly, your Committee finds that this measure will increase transparency in the procurement process and promote equitable procurement practices.

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. 2387 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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



SHAROV MORIWAKI, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB 2387	Committee Referral: GVO, WAM	Date: 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	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	X			
DELA CRUZ, Donovan M. (VC)	X			X
CHANG, Stanley				
GABBARD, Mike	X			
FEVELLA, Kurt	X			
TOTAL	4			1

Recommendation: Adopted 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