

STAND. COM. REP. NO.

2654

Honolulu, Hawaii

FEB 18 2022

RE: S.B. No. 3034  
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. 3034 entitled:

"A BILL FOR AN ACT RELATING TO JOINT CONTRACTOR OR  
SUBCONTRACTOR LISTING,"

beg leave to report as follows:

The purpose and intent of this measure is to clarify the listing requirements for joint contractors and subcontractors submitting construction bids under section 103D-302, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Budget and Fiscal Services of the City and County of Honolulu, and General Contractors Association of Hawaii. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the State's procurement law is in need of clarification regarding the listing of subcontractors requirement under section 103D-302(b), Hawaii Revised Statutes. As noted in the testimony of the Department of Accounting and General Services, the current lack of clarity leads to additional bid protests, delays, and administrative costs in the procurement process. Accordingly, your Committee finds that this measure will



increase efficiency in the procurement process and reduce avoidable bid protests by clarifying the listing of subcontractors requirement.

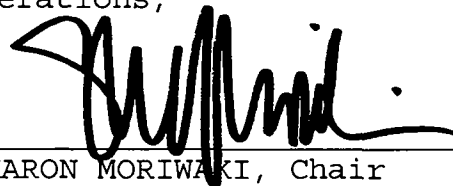
Your Committee notes the testimony of the State Procurement Office, providing that the term "joint contractor" is not defined by section 444-1, Hawaii Revised Statutes, nor otherwise defined by administrative rule. That section, however, defines "contractor" to include contractors submitting a bid with another contractor as "joint contractors", subcontractors, and others who may perform the work of a contractor or portions thereof, and therefore all of which should be included in bid listings.

Your Committee has therefore amended this measure by:

- (1) Adding the term "joint contractor" as contractors submitting a bid with other contractors; 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. 3034, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3034, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

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




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SHARON MORIWAKI, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Government Operations**  
**GVO**

Bill / Resolution No.:* <b>SB 3034</b>	Committee Referral: <b>GVO, CPN</b>	Date: <b>02/15/22</b>		
<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
MORIWAKI, Sharon Y. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHANG, Stanley	/			
GABBARD, Mike	/			
FEVELLA, Kurt		/		
<b>TOTAL</b>	<b>4</b>	<b>1</b>		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office            Drafting Agency        Committee File Copy				

\*Only one measure per Record of Votes