

Honolulu, Hawaii

APR 26 2024

RE: S.B. No. 2536
S.D. 1
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2536, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT PREFERENCES AND RECIPROCITY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to amend the Hawaii Public Procurement Code by:

- (1) Establishing a new accounting services procurement preference for certain Hawaii accounting service businesses; and
- (2) Clarifying that the existing reciprocity procurement preference includes offerors under the provisions governing competitive sealed bids and competitive sealed proposals.



Your Committee on Conference finds that the State can encourage the growth and sustainability of businesses that employ Hawaii residents by providing those businesses with a competitive edge in government service contracts through the establishment of procurement preferences. The procurement preference established by this measure incentivizes public accounting firms with offices in the State to increase career opportunities for residents to provide accounting services to the government, while the expansion of the reciprocity exemption would further support fair competition with other public accounting firms that operate out of low-cost jurisdictions and do not have offices in the State. Your Committee on Conference respectfully requests that any departments affected by this measure communicate to the Legislature on the impact of this measure on the State.

Accordingly, your Committee on Conference has amended this measure by:


- (1) Inserting an effective date of July 1, 2024, and a repeal date of July 1, 2028; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2536, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2536, S.D. 1, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE



SCOT Z. MATAYOSHI
Co-Chair




MARK M. NAKASHIMA
Co-Chair




ANDREW GARRETT
Co-Chair

ON THE PART OF THE SENATE



ANGUS L.K. MCKELVEY
Chair



MAILE S.L. SHIMABUKURO
Co-Chair



