

STAND. COM. REP. NO. 1804

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 1293
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1293, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DEPARTMENT OF EDUCATION
PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to temporarily exempt certain Department of Education purchases from the State's electronic procurement system requirement.

More specifically, the measure:

- (1) Exempts, from the requirement to conduct procurements through the State's electronic system, Department of Education purchases of local edible produce and packaged food products costing less than a certain amount;
- (2) Requires at least three written quotes for Department of Education purchases of local edible produce and packaged food products within a certain cost range;
- (3) Requires at least two written quotes for Department of Education purchases for certain schools in rural communities of local edible products and packaged food products that are between a certain cost range; and



(4) Sunsets on June 30, 2028.

Your Committee received written comments in support of this measure from the Department of Education; City and County of Honolulu Office of Climate Change, Sustainability and Resiliency; City and County of Honolulu Office of Economic Revitalization; Local Food Coalition; Ka Ohana O Na Pua; Ulupono Initiative; Hawaii Reef and Ocean Coalition; Climate Protectors Hawaii; Hawaii Farm Bureau; Hawaii Public Health Institute; Hawaii Farmers Union; Hawaii Food + Policy; Hawaii Youth Food Council; and numerous individuals.

Your Committee received written comments on this measure from the State Procurement Office.

Your Committee finds that the temporary procurement exemptions provided by this measure will allow the Department of Education the flexibility to establish long-term relationships with local agricultural producers, reduce administrative barriers to procurement, and strengthen the local food supply chain.

Your Committee has amended this measure by:

- (1) Specifying that Department of Education purchases of local edible produce and packaged food products costing less than \$250,000 are exempt from the requirement to conduct procurements through an electronic procurement system; and
- (2) Appropriating \$20,000,000 to the Department of Education for fiscal year 2025-2026 to address the Food Services Program shortfall, as requested in Governor's Message No. 9.

Your Committee notes that the State Procurement Office requests amendments to:

- (1) Clarify that the procurement exemptions should apply to packaged local food products, as well as to local edible produce;



- (2) Require all procurement awards exceeding a certain amount to be posted electronically on the Hawaii Awards and Notice Data System, or a similar Department of Education platform; and
- (3) Authorize the State Procurement Office to request data from the Department of Education to evaluate the efficacy of the temporary procurement exemptions provided by the measure.

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 H.B. No. 1293, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1293, H.D. 2, 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-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

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|---|--|--------------------------|------------|----------------|
| Bill / Resolution No.:* HB1293 HDZ SD1 | Committee Referral: EDU, WAM | Date: 4/2/2025 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| DELA CRUZ, Donovan M. (C) | X | | | |
| MORIWAKI, Sharon Y. (VC) | X | | | |
| AQUINO, Henry J.C. | X | | | |
| DECOITE, Lynn | X | | | |
| ELEFANTE, Brandon J.C. | X | | | |
| HASHIMOTO, Troy N. | X | | | |
| INOUE, Lorraine R. | X | | | |
| KANUHA, Dru Mamo | X | | | |
| KIDANI, Michelle N. | X | | | |
| KIM, Donna Mercado | X | | | |
| LEE, Chris | X | | | |
| WAKAI, Glenn | X | | | |
| FEVELLA, Kurt | X | | | |
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| TOTAL | 13 | 0 | 0 | 0 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div> | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div> | | | | |

*Only one measure per Record of Votes