

Honolulu, Hawaii

FEB 12 2025

RE: S.B. No. 1306
S.D. 1

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

Sir:

Your Committee on Government Operations, to which was
referred S.B. No. 1306 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a Procurement Automation System Special Fund;
and
- (2) Designate the Executive Director of the School
Facilities Authority as the Chief Procurement Officer of
the School Facilities Authority.

Your Committee received testimony in support of this measure
from the Department of Accounting and General Services and State
Procurement Office.

Your Committee finds that Act 176, Session Laws of Hawaii
2022, authorized the implementation of a procurement
implementation system and collection of transaction fees.
However, the Legislature did not establish a special fund into
which the collected transaction fees could be deposited.
Currently, the contracted vendor holds the funds in trust for the
State. This measure establishes the necessary Procurement



Automation System Special Fund and makes a housekeeping amendment for consistency.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2491, to encourage further discussion; 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. 1306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1306, S.D. 1, and be referred to your Committee on Ways and Means.

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



ANGUS L.K. MCKELVEY, Chair



Record of Votes
Committee on Government Operations
GVO

*Only one measure per Record of Votes