

STAND. COM. REP. NO.

1944

Honolulu, Hawaii

APR 04 , 2025

RE: S.B. No. 383
S.D. 2
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Finance, to which was referred S.B. No. 383, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SMALL PURCHASES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the minimum amount for purchases constituting small purchase procurements not subject to an electronic system from \$25,000 to \$50,000; and
- (2) Require the State Procurement Office to submit a report to the Legislature on the efficacy of the increased minimum small purchase procurement amounts.

Your Committee received testimony in support of this measure from the Department of Transportation and Office of the Mayor of the City and County of Honolulu. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that escalating costs of goods over the years, particularly during the COVID-19 pandemic, have created numerous difficulties regarding small purchase procurement. Your

2025-2977 SB383 HD1 HSCR HMSO



Committee believes that increasing the minimum threshold for small purchases provides better flexibility for procurement management and ensures that goods and services can be obtained quickly and efficiently.

Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 383, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 383, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



