

STAND. COM. REP. NO.

2712

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2030
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 2030, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the Hawaii
Public Procurement Code to allow a bidder to submit corrections or
amendments to a list of joint contractors or subcontractors and
other required information up to two days prior to the closing
date for bid submissions.

Your Committee received testimony in support of this measure
from the Building Industry Association of Hawaii; the General
Contractors Association of Hawaii; Ralph S. Inouye Co., Ltd.,
General Contractor; and Royal Contracting Co., Ltd. Testimony in
opposition to this measure was submitted by the Subcontractors
Association of Hawaii.

Your Committee finds that this measure permits a bidder to
ensure that all subcontractors who have submitted bids to the
general contractor have met all of the requirements to perform the
work on state and county projects, including meeting all
licensing, bonding, and insurance requirements, as applicable.
The additional time is necessary because in most cases the general
contractor does not receive bid prices from the various
subcontractors until shortly before the bid must be submitted to
the state agency. However, your Committee further finds that this
measure, as drafted, does not address how each agency would



collect the subcontractors' bid submissions, and how that information would then be distributed to general contractors who may be planning to submit a bid proposal.

Your Committee recognizes that since this measure was heard by your Committee on Public Safety, Government Operations, and Military Affairs, the various stakeholders of this measure have met and developed language. Your Committee commends the stakeholders on reaching a compromise and has adopted their proposed language.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the amendments made to section 103D-302(b), Hawaii Revised Statutes, and replacing them with amendments made to section 103D-302(g), Hawaii Revised Statutes, to allow the chief procurement officer or head of a purchasing agency to allow the scope of work in a bid for a list subcontractor to be expanded within five working days of bid opening, with certain conditions, and to permit the reinstatement of certain subcontractors' licenses before an award is granted; and
- (2) Inserting an effective date of July 1, 2050, to ensure further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2030, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2030, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,




CLAYTON HEE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2030, SDI	PGM JDL	2/27/12		
<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
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile (VC)	✓			
GABBARD, Mike				✓
IHARA, Jr., Les	✓			
SLOM, Sam		✓		
TOTAL	3	1	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes