

STAND. COM. REP. NO. 757

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1228
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1228, 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 authorize special innovative procurement as an additional method of source selection under the State Procurement Code.

Additionally, this measure requires the Procurement Policy Board to draft rules for public-private partnership contracts and also appropriates funds for the research and development of public-private partnership rules.

Your Committee received written comments in support of this measure from the State Procurement Office and Ulupono Initiative.

Your Committee finds that special innovative procurements enable the State to make procurements when unusual or unique circumstances exist that require other than full competition and standard procurement procedures would be contrary to the public interest.

Your Committee has amended this measure by:

- (1) Broadening the scope of the draft rules authority provided to the Procurement Policy Board from addressing just public-private partnership contracts to addressing



special innovative procurements, including public-private partnership contracts;

- (2) Extending to 2017 the deadline for reporting the draft rules;
- (3) Clarifying the purpose of the appropriation to include assistance with the research and development of special innovative procurements as well as public-private partnership rules;
- (4) Changing the effective date to July 1, 2050, in order to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 1228, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1228, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



