June 30, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 30, 2015, the following bill was signed into law:

HB1292 HD2 SD2 CD1 RELATING TO PROCUREMENT
ACT 182 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The procurement task force was established pursuant to Senate Concurrent Resolution No. 92, S.D. 2 (2013), to study the cost impacts that the procurement process has had for public works construction projects as well as the existing bid preferences in relation to promoting economy, efficiency, effectiveness, and impartiality in state and county procurement. The expertise of such a task force is needed to study the issue of past performance to better understand how that information should be used in the procurement process. The purpose of this Act is to work toward increasing transparency and accountability in public contracts by continuing the work of the task force to examine the issue of past performance.

SECTION 2. (a) The comptroller shall continue to convene the procurement task force established pursuant to Senate Concurrent Resolution No. 92, S.D. 2 (2013) to study the cost impacts that the procurement process has had for public works construction projects, and specifically to examine and recommend past performance standards and statewide processes in order to
promote economy, efficiency, effectiveness, and impartiality in procurement for state and county governments.

(b) The comptroller, or the comptroller's designee, shall continue to serve as chair of the task force.

(c) The comptroller shall solicit representatives from the following entities to serve on the task force; provided that those persons designated shall be knowledgeable of procurement procedures and issues within their respective organizations:

1. The state procurement office;
2. The University of Hawaii;
3. The department of education;
4. The office of Hawaiian affairs;
5. The department of transportation;
6. A county procurement department;
7. A county board or department of water supply;
8. The semi-autonomous public transit agency of the city and county of Honolulu;
9. The Subcontractors Association of Hawaii;
10. The General Contractors Association of Hawaii;
11. The Hawaii Building and Construction Trades Council, AFL-CIO; and
(12) The Hawaii Construction Alliance.

(d) The task force shall identify and propose amendments, if any, to the state procurement code that may better promote economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects, specifically regarding statewide past performance standards and processes.

(e) Task force members shall serve without compensation but shall be reimbursed for all necessary expenses, including travel expenses, that are incurred in the performance of their duties as members of the task force.

(f) The task force shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2016.

(g) The task force convened pursuant to this Act shall cease to exist on June 30, 2016.

SECTION 3. This Act shall take effect on July 1, 2015.

APPROVED this 30 day of JUN, 2015

GOVERNOR OF THE STATE OF HAWAII