

STAND. COM. REP. NO.

1337

Honolulu, Hawaii

APR 05 2017

RE: H.B. No. 1322  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1322, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONSTRUCTION CONTRACTS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the State Procurement Office, in conjunction with the Department of Education, University of Hawaii, Department of Transportation, and the Department of Accounting and General Services, to conduct a comprehensive analysis and review of the Hawaii Public Procurement Code, with particular regard to construction contracting.

Your Committee received testimony in support of this measure from the Department of Education, Department of Transportation, State Procurement Office, University of Hawaii, General Contractors Association of Hawaii, and one individual.

Your Committee received testimony in opposition to this measure from the Subcontractors Association of Hawaii.

Your Committee received comments on this measure from the Department of Accounting and General Services and the American Council of Engineering Companies, Hawaii.



Your Committee finds that the State will benefit from the following: an analysis and review of the Hawaii public procurement code, with particular emphasis on issues and concerns that were raised in the final report of the task force that was established by the Comptroller; state statutes pertaining to the awarding of construction, architectural, and engineering contracts; and a comparison of state statutes with applicable federal procurement laws and regulations.

Your Committee notes that the State Procurement Office has estimated that the cost of the analysis and review will be \$500,000.

Your Committee has amended this measure by clarifying that the task force referenced in the measure was established by the Comptroller pursuant to Senate Concurrent Resolution No. 92, Senate Draft 2, of the Regular Session of 2013.

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 H.B. No. 1322, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1322, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

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

  
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JILL N. TOKUDA, Chair



