

Honolulu, Hawaii

February 14, 2018

RE: H.B. No. 2176
H.D. 2

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2176, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to streamline the procurement process for Department of Education contracts for student transportation services and education facility construction by:

- (1) Prohibiting judicial review of a hearings officer's decision regarding a protest to the award of a procurement contract for student transportation services or education facility construction; and
- (2) If a hearings officer upholds a previous decision denying the protest, requiring the parties who protested the award to pay attorney's fees and costs resulting from the delay of the contract.

The Department of Education testified in support of this measure. The Department of the Attorney General and State Procurement Office provided comments.

Your Committee has amended this measure by deleting its contents and adopting proposed language offered in testimony by



the Department of the Attorney General to eliminate the exercise of an adjudicatory function by Department of Education officials. As amended, this measure:

- (1) Establishes a process outside of the Public Procurement Code for awarding Department of Education contracts for student transportation services and facility construction that includes public comment;
- (2) Prohibits protests and judicial review of contract awards made pursuant to the process; and
- (3) Includes an effective date of July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2176, H.D. 2.

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



SCOTT Y. NISHIMOTO, Chair



