

Honolulu, Hawaii

, 2020

FEB 12

RE: H.B. No. 2020

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2020 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to require:

- (1) The past performance of contractors' positive, negative, or lack of previous experience to be considered in bid selection of a contractor;
- (2) Departments to consider available assessments of previous performance on relevant and recent government and private contracts when making contract awards; and
- (3) The State Procurement Office to implement a past performance database.

Your Committee received testimony in opposition to this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the State's procurement process requires a clear legislative direction to award contracts to



responsible bidders or offerors. Requiring the State Procurement Office to implement a past performance database and requiring departments to factor in a contractor's past performance when considering bid selection would increase accountability and enhance performance to more efficiently utilize taxpayer dollars.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2020, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2020, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



AARON LING JOHANSON, Chair



### Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: <i>HIB 2020</i>	Committee Referral: <i>LAB, FIN</i>	Date: <i>2-4-2020</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. ELI, Stacelynn K.M. (VC)	✓			
3. ICHIYAMA, Linda	✓			
4. KITAGAWA, Lisa	✓			
5. McKELVEY, Angus L.K.	✓			
6. QUINLAN, Sean	✓			
7. YAMASHITA, Kyle T.	✓			
8. MATSUMOTO, Lauren	✓			
<b>TOTAL (8)</b>	<b>8</b>			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <span style="margin-left: 300px;">committee acronym(s)</span>				
Vice Chair's or designee's signature: <i>Stacelynn K.M. Eli</i>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				