

STAND. COM. REP. NO.

2584

Honolulu, Hawaii

FEB 13 2020

RE: S.B. No. 2838  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Government Operations and Human Services,  
to which was referred S.B. No. 2838 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to amend certain sections of the statutes governing the procurement of health and human services in Hawaii. Specifically, this measure:

- (1) Requires purchasing agencies of health and human services to analyze proposed costs and prices and document the agency's determination that such costs and prices are fair and reasonable;
- (2) Allows departments and agencies to establish their own lists of qualified health and human services providers from which they can use the treatment purchase of service procurement method to procure their services;
- (3) Increases the threshold for small purchase purchases for health and human services; and
- (4) Reduces the number of members of the Procurement Policy Board and removes the requirement that at least one board member be a certified professional in the field of procurement.



Your Committees received testimony in support of this measure from the State Procurement Office. Your Committees received comments on this measure from the Department of Human Services.

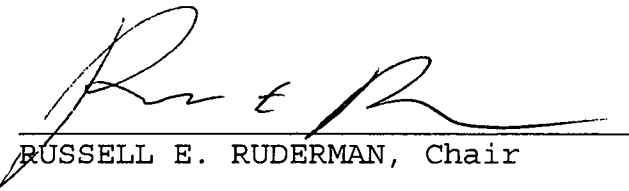
Your Committees find that updating and streamlining the procurement laws relating to the purchase of health and human services will promote procurement efficiency, program success, and government accountability of procurement procedures. Your Committees further find that by reducing the number of board members and membership requirements of the Procurement Policy Board will improve the ability for the board to reach quorum and promulgate procurement rules.

Your Committees have amended this measure by:


- (1) Adopting language as jointly submitted by the State Procurement Office and Department of Human Services, which better reflects the intent of this measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2838, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2838, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Government  
Operations and Human Services,



RUSSELL E. RUDERMAN, Chair

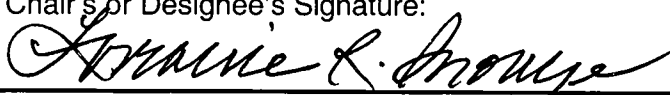


LAURA H. THIELEN, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Government Operations**  
**GVO**

Bill / Resolution No.:* <b>SB2838</b>	Committee Referral: <b>GVO/HMS,WAM</b>	Date: <b>2-7-2020</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
THIELEN, Laura H. (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
BAKER, Rosalyn H.	✓			
KANUHA, Dru Mamo				✓
FEVELLA, Kurt				✓
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes

The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:* <b>SB 2838</b>	Committee Referral: <b>GVO/HMS, WAM</b>	Date: <b>2/7/20</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RUDERMAN, Russell E. (C)	✓			
RHOADS, Karl (VC)	✓			
IHARA, Jr., Les	✓			
RIVIERE, Gil				✓
FEVELLA, Kurt				✓
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <b>Karl Rhoads</b>				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office            Drafting Agency        Committee File Copy				

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*Handwritten initials*