

STAND. COM. REP. NO.

1505

Honolulu, Hawaii

MAR 25, 2021

RE: S.B. No. 1035
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1035, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the State Procurement Automation System Special Fund to fund the project management of the procurement automation system;
- (2) Allow the State Procurement Administrator to establish procedures for issuing the final decision on any procurement practice, procurement policy and procedures, and compliance investigations conducted by the State Procurement Office; and
- (3) Authorize the Administrator to assess and collect an administrative fee to be deposited into the State Procurement Automation System Special Fund to cover the costs of the procurement automation system.

Your Committee received testimony in support of this measure from the State Procurement Office. Your Committee received

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comments on this measure from the Subcontractors Association of Hawaii and Plumbing and Mechanical Contractors Association of Hawaii.

Your Committee finds that the State Procurement Office is seeking to transition its manual procurement processes to an online digital system. Your Committee further finds that the establishment of a procurement automation system across the executive branch and state agencies, like the one proposed by this measure, will increase efficiencies and responsiveness; support consistent and standardized procurement practices and processes, policies, and procedures; and provide greater confidence to taxpayers by ensuring optimal compliance and transparency in following the Hawaii Public Procurement Code.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1035, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



AARON LING JOHANSON, Chair



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 1035 SD2 HD1	Committee Referral: GVR, CPC, FIN	Date: 3/24/21		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HAR, Sharon E.	✓			
5. HASHEM, Mark J.	✓			
6. KONG, Sam Satoru	✓			
7. MIZUNO, John M.	✓			
8. MORIKAWA, Dee	✓			
9. ONISHI, Richard H.K.	✓			
10. TARNAS, David A.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				