

STAND. COM. REP. NO. 128

Honolulu, Hawaii

Feb 7, 2007

RE: H.B. No. 32
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committees on Economic Development & Business Concerns and International Affairs, to which was referred H.B. No. 32 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose of this bill is to ensure that state dollars are used to create jobs within and not outside of the United States, by prohibiting state governmental bodies from contracting with or providing economic development assistance to companies that will outsource the work to other countries.

The Hawaii Government Employees Association submitted testimony in support of this bill. The Department of Business, Economic Development, and Tourism did not support this bill. The University of Hawaii opposed this measure. Comments were received from the State Procurement Office and the Department of Human Services.

Your Committees have amended this bill by:

- (1) Removing penalty provisions that would have allowed a noncompliant contractor's contract to be terminated, monetary penalties to be imposed, and the contractor to be disqualified for other state contracts;

HB32 HD1 HSCR EDB-INT HMS 2007-1710



- (2) Providing an exemption for work that is not available locally or domestically that is performed outside the United States;
- (3) Changing the effective date to July 1, 2034, to encourage further discussion of this bill; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committees respectfully request that the Committee on Labor, to which this bill is next referred, examine the Department of Human Services' recommendation to exempt existing contracts.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business Concerns and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 32, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 32, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development & Business Concerns
and International Affairs,


RIDA F.R. CABANILLA, Chair

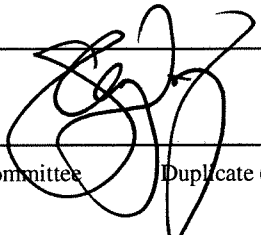

KYLE T. YAMASHITA, Chair



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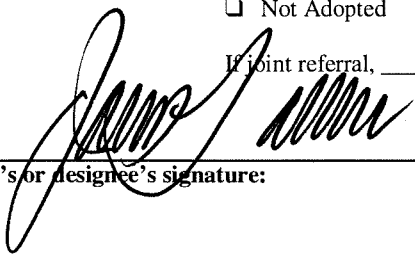
State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Economic Development & Business Concerns

Bill/Resolution No.: HB 32		Date: January 31, 2007			
Committee Referral: EDB/INT		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration					
EDB Members		Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)		✓			
2. WAKAI, Glenn (VC)		✓			
3. BERG, Lyla B., Ph.D.					✓
4. BROWER, Tom		✓			✓
5. CHANG, Jerry L.					✓
6. HANOHANO, Faye P.		✓			
7. HERKES, Robert N.			✓		
8. MANAHAN, Joey		✓			
9. TSUJI, Clift		✓			
10. YAMANE, Ryan I.		✓			
11. CHING, Corinne W.L.					✓
12. MARUMOTO, Barbara C.					✓
TOTAL		7	1	0	4
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) – Clerk's Office					

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on International Affairs

Bill/Resolution No.: HB 32		Date: 1-31-07		
Committee Referral: EDB / INT, LAB, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input type="checkbox"/> Hold		<input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration		
INT Members	Ayes	Ayes (WR)	Nays	Excused
1. CABANILLA, Rida T.R. (C)	/			
2. TOKIOKA, James Kunane (VC)	/			
3. BELATTI, Della Au	/			
4. BERTRAM, Joe, III	/			
5. GREEN, Josh, M.D.	/			
6. MIZUNO, John				/
7. RHOADS, Karl	/			
8. SHIMABUKURO, Maile S. L.	/			
9. TAKAI, K. Mark				/
10. AWANA, Karen Leinani				/
11. WARD, Gene, Ph.D.		/		
TOTAL	7	1		3
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) – Clerk's Office				