

JAN 25 2023

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A BILL FOR AN ACT

RELATING TO PURCHASES OF HEALTH AND HUMAN SERVICES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to amend the  
2 procurement laws relating to purchases of health and human  
3 services by abolishing the community council on purchase of  
4 health and human services. The community council was established  
5 in 1997 by section 103F-202, Hawaii Revised Statutes, for the  
6 purpose of providing input and advising the state procurement  
7 administrator to develop the rules, infrastructure, and  
8 procedures for procuring health and human services. More than  
9 twenty-five years later, the rules are well-established and both  
10 providers and purchasing agencies are accustomed to the  
11 procurement process. Any further rule changes can be managed  
12 through the procurement policy board.

13           SECTION 2. Section 103F-202, Hawaii Revised Statutes, is  
14 repealed.

15           ~~["§103F-202] Community council. (a) There is~~  
16 ~~established a community council on purchase of health and human~~  
17 ~~services. The community council shall be comprised of no more~~  
18 ~~than nine voting members, and one non voting, ex officio member~~

S.B. NO. 1275

1 ~~of the interagency committee on purchase of health or human~~  
2 ~~services designated by the majority of the members of the~~  
3 ~~committee. There shall be a member from each county, except the~~  
4 ~~county of Kalawao, and up to five members interested in health,~~  
5 ~~human services, employment, or the provision of services to~~  
6 ~~children and youth.~~

7 ~~(b) Voting members shall be appointed by the governor and~~  
8 ~~serve for four years. Each voting member shall serve until the~~  
9 ~~member's successor is appointed. Section 26-34 shall apply~~  
10 ~~insofar as it relates to the number of terms and consecutive~~  
11 ~~number of years a member may serve on the council.~~

12 ~~(c) Members shall serve without compensation, but shall be~~  
13 ~~reimbursed for actual expenses, including travel expenses,~~  
14 ~~necessary for the performance of their duties.~~

15 ~~(d) The community council shall advise the administrator~~  
16 ~~about or assist the administrator in:~~

17 ~~(1) Market or business conditions facing providers;~~

18 ~~(2) Securing input from providers to facilitate agency~~  
19 ~~decision making to assess needs, plan, budget, and~~  
20 ~~purchase health and human services;~~

21 ~~(3) Facilitating provider participation in the process~~  
22 ~~used by state agencies to plan for and purchase health~~



# S.B. NO. 1275

**Report Title:**

Purchases of Health and Human Services; Community Council

**Description:**

Abolishes the Community Council on purchase of health and human services

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

SB1275

DEPARTMENT: Accounting and General Services.

TITLE: A BILL FOR AN ACT RELATING TO PURCHASES OF HEALTH AND HUMAN SERVICES.

PURPOSE: To abolish the community council on purchase of health and human services.

MEANS: Repeal section 103F-202, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Section 2 of this bill abolishes the community council on purchase of health and human services. Chapter 103F, HRS, was enacted in 1997 to implement a procurement code for health and human services. The community council, also established in 1997 under section 103F-202, HRS, provided input and assistance to the State procurement administrator to develop the rules, infrastructure, and procedures for procuring health and human services. The community council was also valuable in assisting the development of the health and human services procurement conferences, held biennially. The community council was an advisory body with no voting rights.

More than 25 years after the establishment of the council, the focus of health and human service procurements has evolved. The rules are well-established, and both providers and purchasing agencies are now accustomed to the process without the need for advice and assistance of the community council.

The last meeting of the council was held on April 22, 2010. Thereafter, lack of quorum and lack of appointed members prevented further meetings per statutory requirements. With the economic downturn at the time, potential members found that they could not spare the time away from their businesses. In a few cases, potential members served on

SB1275

other boards, thereby prohibiting them from serving on the community council.

The State Procurement Office (SPO) believes that State agencies and private providers communicating and working together in a dynamic paradigm can refine and update procedures for planning, procuring, and contracting health and human services to meet current needs without the help of the community council. Furthermore, the procurement policy board, established by section 103D-201, HRS, has the authority and responsibility to adopt rules pursuant to section 103D-202, HRS.

Impact on the public: None.

Impact on the department and other agencies:

The repeal of 103F-202, HRS, is a housekeeping measure that eliminates an obsolete section of the statute. The SPO can maintain its resources on the rule-making process for both 103D and 103F, HRS, through the procurement policy board.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: None.

OTHER AFFECTED  
AGENCIES: All agencies procuring health and human services pursuant to chapter 103F, HRS.

EFFECTIVE DATE: Upon approval.