STAND. COM. REP. NO. 240 -06

Honolulu, Hawaii

Feb 10, 2006

RE: H.B. No. 3087

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 3087 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is to give flexibility to purchase health care goods and services by amending the State Procurement Code (Code) to:

- (1) Exempt purchases of medical equipment and services from the Code requirements;
- (2) Establish the Chief Executive Office of the Hawaii Health Systems Corporation (HHSC) as the Chief Procurement Officer of HHSC; and
- (3) Increase the threshold amount for small purchases from \$25,000 to \$100,000.

The Office of the Governor, several board members and staff of HHSC, and several concerned individuals supported this bill. The Department of Accounting and General Services and the State Procurement Office testified in support of the designation of a chief procurement officer for HHSC but had concerns with the provisions exempting medical equipment and services and increasing the small purchases threshold. The American Institute of Architects Hawaii State Council and Diagnostic Laboratories

Services, Inc., opposed this measure. The State Procurement Office submitted comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3087 and recommends that it pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

Respectfully submitted on behalf of the members of the Committee on Health,

DENNIS A. ARAKAKI, Chair

State of Hawaii House of Representatives The Twenty-third Legislature

HSCR 240-06

Record of Votes of the Committee on Health

HB 3087	Date: 02/09/06			
Committee Referral: HLT, EDB, FILL	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	☐ Pass, with amendments			
☐ Hold	□ Recommit			
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. ARAKAKI, Dennis A. (C)				
2. GREEN, Josh, M.D. (VC)				
3. CABANILLA, Rida T.R.				
4. HALE, Heléne H.				
5. NISHIMOTO, Scott Y.				
6. SONSON, Alex M.				ezan zapram, wanin o aning obsider
7. HALFORD, Chris				
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TOTAL	6			1
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The recommendation is:				
☐ Not Adopted				
If is interesting		did not suppo	ort recommendation.	
If joint referral,com	mittee acronym(ort recommendation.	
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee D	Ouplicate (Yellov	w) – Clerk's Office		