STAND. COM. REP. NO. 3635

Honolulu, Hawaii

APR 13 2006

RE: S.C.R. No. 32 S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committees on Business and Economic Development and Tourism, to which was referred S.C.R. No. 32 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE ATTORNEY GENERAL TO INVESTIGATE POSSIBLE PROCUREMENT CODE VIOLATIONS COMMITTED BY THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,"

beg leave to report as follows:

The purpose of this measure is to request the Attorney General to investigate possible procurement code violations committed by the Department of Business, Economic Development, and Tourism.

Your Committees received comments from the Department of Business, Economic Development, and Tourism, the Pacific Asian Affairs Council, and the Hawaii District Export Council (DEC).

Your Committees are concerned that the Department of Business, Economic Development, and Tourism may have violated state procurement laws when the department selected a nonprofit organization to handle the finances for the Governor's trade mission to China and Korea in 2005. Your Committees find that the State Procurement Office and the State Ethics Commission are the proper authorities to review this matter.

Your Committees have amended this measure by:

- (1) Deleting references to the Attorney General doing the investigation and substituting the State Procurement Office and the State Ethics Commission, and amending the title accordingly;
- (2) Adding Whereas paragraphs and clarifying Whereas paragraphs for correctness; and
- (3) Requesting the State Procurement Office and the State Ethics Commission to each separately report their respective findings and recommendations to the Legislature by September 1, 2006.

As affirmed by the records of votes of the members of your Committees on Business and Economic Development and Tourism that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 32, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 32, S.D. 1.

Respectfully submitted on behalf of the members of the Committees on Business and Economic Development and Tourism,

DONNA MERCADO KIM, Chair

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WILL ESPERO, Cháir

## The Senate Twenty-Third Legislature State of Hawaii

## Record of Votes of the Committee on Business and Economic Development (Bills and Resolutions)

| Committee Referral: Date: 4/12/06  |                              |   |  | 106  |  |  |  |  |
|--|------------------------------|---|--|--|--|--|--|--|
| The committee is reconsidering its previous decision on this measure.  |                              |   |  |  |  |  |  |  |
| If so, then the previous decision was to:  |                              |   |  |  |  |  |  |  |
| The Recommendation is to:  |                              |   |  |  |  |  |  |  |
| Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)  |                              |   |  |  |  |  |  |  |
|  | Ayes                         | Ayes(WR)  | Nays   | Excused  |  |  |  |  |
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| Recommendation:  Adopted  Not Adopted  |                              |   |  |  |  |  |  |  |
| Chair's or Designee's Signature:   |                              |   |  |  |  |  |  |  |
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|  | Pass, with ar (231)  Adopted | Pass, with amendments (2311)  Ayes  Adopted  Yellow | BED/TSM  ering its previous decision on this measure.  on was to:  Pass, with amendments (2311)  Ayes Ayes(WR)  Ayes  Ayes(WR)  Ayes  Adopted  N  Yellow  Pink | BED/TSM  4/12/ ering its previous decision on this measure.  on was to:  Pass, with amendments   Hold   Received the part of t |  |  |  |  |

<sup>\*</sup>Do <u>not</u> list more than one measure per Record of Votes.

## The Senate Twenty-Third Legislature State of Hawaii

## Record of Votes of the Committee on Tourism (Bills and Resolutions)

| Measure:*  | Committee Re |                             | Date:    |          |                       |  |  |  |
|--|--------------|-----------------------------|----------|----------|-----------------------|--|--|--|
| 8CR 32   | BED          | ITSM                        | 4        | 12/04    | •                     |  |  |  |
| The committee is reconsidering its previous decision on this measure.  |              |                             |          |          |                       |  |  |  |
| If so, then the previous decision was to:  |              |                             |          |          |                       |  |  |  |
| The Recommendation is to:  |              |                             |          |          |                       |  |  |  |
| Pass, unamended Pass, with amendments (2312) (2311)  |              | Hold Recommit (2310) (2313) |          |          |                       |  |  |  |
| Members  | *            | Ayes                        | Ayes(WR) | Nays     | Excused               |  |  |  |
| KIM, Donna Mercado (C)   |              | V                           |          |          |                       |  |  |  |
| NISHIHARA, Clarence K. (VC)  |              | V                           |          |          |                       |  |  |  |
| ESPERO, Will   |              | <b>✓</b>                    |          |          |                       |  |  |  |
| HEE, Clayton   |              |                             |          |          | ~                     |  |  |  |
| TSUTSUI, Shan S.   |              |                             |          |          | ٢                     |  |  |  |
| SLOM, Sam  |              |                             |          | <b>/</b> |                       |  |  |  |
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| TOTAL  | :            | 3                           |          | 1        | 2/                    |  |  |  |
| Recommendation:  Adopted  Not Adopted  |              |                             |          |          |                       |  |  |  |
| Chair's or Designee's Signature: Clurered K Kushihare  |              |                             |          |          |                       |  |  |  |
| Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy |              |                             |          |          |                       |  |  |  |

<sup>\*</sup>Do <u>not</u> list more than one measure per Record of Votes.