STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 1 2008

RE: S.B. No. 2826 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Tourism and Government Operations, to which was referred S.B. No. 2826 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to transfer responsibilities for procurement training and development from the Department of Human Resources Development to the State Procurement Office, and to require mandatory attendance at the program sessions for procurement officers of the State and counties.

Your Committee received testimony in support of this measure from the State Procurement Office; H2 Technologies, Inc.; Hawaii Angels; Global Education Trust; Archinoetics, LLC; Hawaii Venture Capital Association; Produced By You.com, LLC; PacifiCap Group; and one individual.

Under this measure, the Department of Human Resources Development will cooperate with the State Procurement Office to develop and maintain a procurement practices training and development program for procurement officers of the State and the several counties.

Your Committee finds that the State Procurement Office is the more appropriate agency rather than the Department of Human Resources Development to conduct procurement training. Your Committee is concerned that procurement irregularities may be

occurring without coming to the attention of the State Procurement Office.

The intent of this measure is to ensure compliance with procurement procedures and practices and making proper procurement decisions consistent with the Hawaii public procurement code.

Your Committee has amended this measure by:

- (1) Making clarifying amendments on the recommendation of the State Procurement Office; and
- (2) Inserting a provision to make the Comptroller an ex-officio nonvoting member of the State Procurement Office.

As affirmed by the record of votes of the members of your Committee on Tourism and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2826, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2826, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Tourism and Government Operations,

CLARENCE K. NISHIHARA, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Tourism and Government Operations TSG

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2826	TSG,WAM			2-05-08	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR) Nay	Excused
NISHIHARA, Clarence K. (C)					
KIM, Donna Mercado (VC)					
TSUTSUI, Shan S.		/			
TRIMBLE, Gordon		///			
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TOTAL		4			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes