

LINDA LINGLE  
GOVERNOR



PROCUREMENT POLICY BOARD  
DARRYL W. BARDUSCH  
LESLIE S. CHINEN  
DARYLE ANN HO  
KEITH T. MATSUMOTO  
RUSS K. SAITO  
PAMELA A. TORRES

AARON S. FUJIOKA  
ADMINISTRATOR

**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

P.O. Box 119  
Honolulu, Hawaii 96810-0119  
Tel: (808) 587-4700 Fax: (808) 587-4703  
www.spo.hawaii.gov

TESTIMONY  
OF  
AARON S. FUJIOKA  
ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE  
SENATE COMMITTEE  
ON  
HIGHER EDUCATION

February 5, 2009

2:00 PM

SB 460

RELATING TO THE UNIVERSITY OF HAWAII SYSTEM.

Chair Tokuda, Chair Gabbard, Vice-Chair Sakamoto, Vice-Chair English, and committee members, thank you for the opportunity to testify on SB 460.

The State Procurement Office (SPO) would like to submit written comments on SB 460, limited to SECTION 1, which proposes to allow the board of regents (BOR) to auction the naming rights to University of Hawaii buildings be exempt from chapter 103D.

The process proposed for naming of buildings may be conducted in accordance with HRS Chapter 103D (Code) to allow for competition, which provides for a competitive sealed proposal process. A solicitation may be developed that would describe the minimum requirements such as most qualified to fulfill the financial obligations of a 10-year contract, subject to approval by the BOR; corporate or offensive names are prohibited; deceased person, historical figure, or legendary person to be memorialized or honored is allowed; and award made to the offeror meeting the qualifications and submitting the highest offer.

Statutorily exempting specific items from the Code is not in the best interest of government, the business community, and the general public. The Code establishes a time-tested, fair, and reliable set of rules and processes for award of contracts. The competitive procurement processes of the Code are to insure that all potential providers are afforded the opportunity to compete for the required services. To the extent agencies may need specific items to be exempted from Code requirements, the Code provides an exemption process.

SB 460  
February 5, 2009  
2:00 PM  
Page 2 of 2

The Code should not be viewed as an obstacle to a purchasing agency's mission, but rather as the single source of public procurement policy to be applied equally and uniformly. It was the legislature's intent for the Code to be a single source of public procurement policy. If individual agencies are exempted and allowed to develop their own individual processes, it becomes problematic and confusing to vendors, contractors and service providers that must comply with a variety of different processes and standards. Fairness, open competition, a level playing field, and government disclosure and transparency in the procurement and contracting process are vital to good government. For this to be accomplished, we must participate in the process with one set of statutes and rules.

Thank you.



## THE LEAGUE OF WOMEN VOTERS OF HAWAII

### TESTIMONY ON SB 460 RELATING TO THE UNIVERSITY OF HAWAII SYSTEM

Committee on Higher Education  
Committee on Energy and Environment  
Thursday, February 5, 2009  
2:00 p.m. Conference Room 309

Testifier: JoAnn Maruoka, Legislative Team Member, LWV-HI

Chair Tokuda, Vice Chair Sakamoto, Chair Gabbard, Vice Chair English, and members,

The League of Women Voters opposes SB 460 which would require the University of Hawaii Board of Regents to auction naming rights to buildings on the West Oahu campus. While it is well intended – that is, to generate income for the UH-West Oahu special fund for electric generation from renewable energy resources – it is wrong-headed to “sell off” building naming rights to the highest bidder. Such crass commercialization also sets a bad precedent, especially in the field of education.

Buildings on university campuses have long been named to honor intellectual contributions, or because financial contributions were given to further a field of study or for similar purposes. It is a fitting way to recognize such contributions.

However, the auctioning of naming rights smacks of professional sports stadiums or arenas. While it may be suitable for those venues, requiring that approach would certainly seem to sully the image and lower the value we place on our highest educational institution. Frankly, it is offensive to effect a bidding war for naming rights.

We strongly urge you to hold SB 460. Thank you for this opportunity to testify.

---

**From:** Joel Fischer [jfischer@hawaii.edu]  
**Sent:** Tuesday, February 03, 2009 4:18 PM  
**To:** HRE Testimony  
**Subject:** SB460;HRE;2/5/09;2PM;Rm225  
  
**Importance:** High

SB460, Relating to the UH System  
HRE; Chair, Sen Tokuda

**PLEASE KILL THIS BILL AND BURY THIS IDEA FOREVER!**

AS a professor at UH for almost 40 years, I recoil in horror to think how low we have sunk! Auctioning off building names is UNACCEPTABLE! Our University has enough trouble with corrupt leaders. Selling names to the highest bidder is completely without institutional integrity. What's next, selling programs to the highest bidder?

HEWA!!!

By opposing this idea, I am not, in any way, saying I oppose West Oahu campus. The Chancellor there is a friend and former student, and I desperately want him to succeed. And I realize how big of a jam we are in financially.

But, please, let's draw the line at some point before we become mere shadows of an institution about which we can all be proud. This proposal really hurts me to the core. I know we can do better.

Thank you.

Aloha, joel  
President, 19-1, Democratic Party

Professor  
University of Hawai'i, School of Social Work  
Henke Hall  
Honolulu, HI 96822

"It is reasonable that everyone who asks justice should DO justice."  
Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."  
Dr. Martin Luther King, Jr.