

STAND. COM. REP. NO. 407

Honolulu, Hawaii
Feb 19, 2009

RE: H.B. No. 1470

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, &
Military Affairs, to which was referred H.B. No. 1470 entitled:

"A BILL FOR AN ACT RELATING TO HAWAII PUBLIC PROCUREMENT
CODE,"

begs leave to report as follows:

The purpose of this bill is to make it easier to use federal
funds for state projects by allowing government agencies to
contract with an offeror without complying with the bid, request
for proposals, and professional services procedures of the
procurement code when:

- (1) The procurement is funded by state and federal matching
funds; and
- (2) The offeror is a United States General Services
Administration-approved sole source vendor and is
responsible for obtaining the federal funds.

Hawaiya Technologies, Inc., testified in support of this
measure.

Your Committee heard testimony that Hawaii has been upgraded
by the federal government from a "level 3" port to a "level 2"
port, essentially making more federal dollars available for
homeland security to shipping and other companies based at our
ports. However, there was also testimony that the Hawaii State
Procurement Code makes it difficult for Hawaii to take advantage



of these otherwise readily available federal dollars, by impeding government agencies from entering into contracts with offerors who have already been approved by the United States General Services Administration to receive federal matching funds as a sole source vendor.

Your Committee believes this measure raises issues of extreme importance to the State. Prompt action is needed to remove impediments to the receipt of available federal funds, particularly in light of Hawaii's need to increase revenue sources and stimulate the economy.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1470 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization, Business, &
Military Affairs,



ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 407

Record of Votes of the Committee on Economic Revitalization, Business, & Military
Affairs

Bill/Resolution No.: HB 1470	Committee Referral: EBM	Date: 2/10/2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. BERG, Lyla B.	✓			
4. EVANS, Cindy	✓			
5. MANAHAN, Joey				✓
6. TAKAI, K. Mark				
7. TOKIOKA, James Kunane	✓			
8. TSUJI, Clift	✓			
9. WAKAI, Glenn				✓
10. WOOLEY, Jessica	✓			
11. WARD, Gene	✓			
TOTAL 10	8			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committee acronym(s)				
Vice Chair's or designee's signature: <i>Sam Wooley</i>				
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