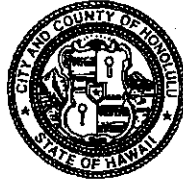


DEPARTMENT OF BUDGET AND FISCAL SERVICES  
**CITY AND COUNTY OF HONOLULU**  
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

PETER B. CARLISLE  
MAYOR



MICHAEL R. HANSEN  
DIRECTOR

NELSON H. KOYANAGI, JR.  
DEPUTY DIRECTOR

January 23, 2012

Rep. Angus L.K. McKelvey, Chair,  
Rep. Isaac W. Choy, Vice Chair,  
and Members of Committee on  
Economic Revitalization & Business  
House of Representatives  
The Twenty-Sixth State Legislature  
State Capitol  
Honolulu, Hawaii 96813

Dear Chair McKelvey, Vice Chair Choy and Members:

Subject: House Bill No. 1768 Relating to the Hawaii Public Procurement Code

The City & County of Honolulu supports H.B. 1768 which provides clarification that if an award is determined to be in violation of the law and the contract has not been fully executed that the award may be rescinded and remedies prior to award may be applied, which may include the reevaluation and award of the contract to the next lowest responsive and responsible bidder or responsible offeror.

The proposed revision to HRS §103D-707 will provide an additional post-award remedy. Currently, the only available remedies are ratification of the contract or termination of the contract. The remedy to award to the next lowest responsive and responsible bidder or responsible offeror will reduce the administrative burdens of a re-solicitation, avoid the damaging delays to economic revitalization that are inherent in a re-solicitation effort, and will promote fairness to bidders or offerors who submitted proposals in good faith.

Sincerely,

A handwritten signature in black ink that reads "Michael R. Hansen". The signature is written in a cursive style with a long, sweeping underline.

Michael R. Hansen, Director  
Budget & Fiscal Services