STAND. COM. REP. NO. 382D

Honolulu, Hawaii

APR 1 1 2024

RE: GOV. MSG. NO. 626

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred Governor's Message No. 626, submitting for study and consideration the nomination of:

ADMINISTRATOR, STATE PROCUREMENT OFFICE

G.M. No. 626 BONNIE KAHAKUI, for a term to expire in 4 years,

begs leave to report as follows:

Your Committee reviewed the personal history, resume, and statement submitted by Bonnie Kahakui for service as the Administrator of the State Procurement Office.

Your Committee received testimony in support of the nomination for the appointment of Bonnie Kahakui from the Department of Accounting and General Services (DAGS); Department of Agriculture; Department of Health; Department of Human Resources Development; Department of Labor and Industrial Relations; Department of Transportation; Office of Enterprise Technology Services; Hawaii Technology Development Corporation; Hawaii Campaign Spending Commission; Green Door Finance LLC; Civic Initiatives, LLC; Subcontractors Association of Hawaii; and thirty-seven individuals.

Your Committee received testimony in opposition to the nomination for the appointment of Bonnie Kahakui from one individual. Your Committee notes that the testimony submitted in opposition to this nominee contained no substantive information or commentary relating to her appointment.

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Upon review of the testimony, your Committee finds that Ms. Kahakui's twenty-seven years of experience in procurement across various levels, including nine years of specialized experience in eProcurement, institutional knowledge of the State Procurement Office, and dedication to serving the public qualify her to be appointed as the Administrator of the State Procurement Office.

Ms. Kahakui has been serving as the Acting Administrator of the State Procurement Office since January 2020. In this role, her responsibilities include but are not limited to providing guidance to all governmental bodies relating to procurement; developing, reviewing, and analyzing procurement rules, policies, and procedures; planning, developing, and coordinating implementation of procurement online systems; investigating procurement irregularities of purchasing agencies; and overseeing all operations of the State Inventory Management System and the State Surplus Office. Ms. Kahakui first joined the State Procurement Office in December 2007 as a Purchasing Specialist and thereafter served as an eProcurement Supervisor before becoming the Assistant Administrator in 2019. During her seventeen years of service at the State Procurement Office, Ms. Kahakui has helped execute numerous projects that have increased efficiency, costsavings, and transparency of procurement in the State, resulting in her receipt of numerous awards, including DAGS Manager of the Year (2020), Government Standards of Excellence Award (2018) for the Hawaii Awards and Notices Database System or HANDS, DAGS Team of the Year (2017) for the Procurement Wizard, and Governor's Team of the Year (2014) for the Hawaii Electronic Procurement (HIePRO) System. Furthermore, under Ms. Kahakui's leadership, the State Procurement Office was able to restore and add seven full-time equivalent (7.0 FTE) positions in 2022; the Procurement Policy Board was finally able to meet to update the administrative rules regarding the public procurement; and the State realized approximately \$36,000,000 in cost savings for fiscal year 2023 through the coordination and consolidation of purchases for certain goods and services across various government agencies. Before joining the State Procurement Office, Ms. Kahakui served as the Travel Manager at the Office of the Comptroller from 1997 to 2007, where she was responsible for, among other things, the implementation and administration of the travel services contract and the procurement and administration of the car rental contract.

Your Committee notes that Ms. Kahakui earned an Associate of Arts degree in Legal Studies from the Kapiolani Community College from which she graduated with honors and a Bachelor of Business Administration degree in Travel Management from the University of Hawaii. Ms. Kahakui is also a member of numerous professional organizations, including but not limited to the National Association of State Procurement Officials, National Institute for Public Procurement, and National Contract Management Association.

Testimony submitted in support of Ms. Kahakui universally speak not only to her extensive knowledge of complex procurement policies and issues, but also her approachability, accessibility, integrity, and flexibility when assisting, advising, and guiding those in the Executive Branch and potential vendors to balance the principles of ethical public procurement. Numerous testifiers who worked and continue to work closely with her, including eighteen staff members of the State Procurement Office, noted her leadership, exceptional executive and organizational ability, and commitment to excellence.

Your Committee notes from Ms. Kahakui's personal statement that over the next four years, she hopes to continue improving and modernizing procurement processes; establish and standardize procedures on recording and investigating possible procurement violations and procurement reviews; enable ready access to procurement knowledge statewide; create and implement a procurement certification program; ensure that small businesses, including business owned by veterans, Native Hawaiians, and women, are able to effectively participate in contracting opportunities with governmental agencies; and conduct market research for the feasibility of a state travel management contract.

Your Committee believes that Ms. Kahakui, with her extensive procurement experience and institutional knowledge, as well as her dedication to public service, possesses the qualifications to continue to lead the State Procurement Office. Your Committee therefore recommends that Bonnie Kahakui be appointed as Administrator of the State Procurement Office.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which

nominated and recommends that the Senate advise and consent to the nomination.

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

ANGUS L.K. MCKELVEY, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Government Operations GVO Advise and Consent

Governor's Message No.:*	Committee F	Date	Date: 3/12/24		
626	GVO	_		3112	24
The Committee is reconsidering its decision					
The Recommendation is:					
Advise and Consent					
Members		Aye /	Aye (WR)	Nay	Excused
MCKELVEY, Angus L.K. (C)		V)
GABBARD, Mike (VC)					V
SAN BUENAVENTURA, Joy A.		V			-
WAKAI, Glenn		V/			
AWA, Brenton					
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TOTAL		4	0	0	
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 Governor's Message per Record of Votes