

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 1-844-808-DCCA (3222)
Fax Number: (808) 586-2856
cca.hawaii.gov

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Judiciary & Hawaiian Affairs
Tuesday, March 17, 2026
2:00 p.m.
Conference Room 325 & Videoconference State Capitol**

**On the following measure:
S.B. 2312 S.D.1 RELATING TO GOVERNMENT CONTRACTS**

Chair Tarnas and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department opposes this bill.

The purpose of this bill is to: (1) amend the Uniform Information Practices Act (UIPA) to require the contracted party of each contract to perform an agency function to retain records following the retention schedule of the agency and to provide the agency access to the records upon request; (2) establish that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA; (3) exempt contracts entered into by the Employees' Retirement System.

While the Department supports transparency and public access to government records, this measure, as drafted, would impose significant and unnecessary burdens on both agencies and contractors.

First, the bill's broad definition of "agency function" and its requirement that contractors follow state records retention schedules could apply to nearly all the Department's contracts, including information technology, licensing, examination, and investigative services. Many contractors already operate under established records systems and legal requirements; compelling them to conform to agency-specific schedules would require costly system changes that are likely to be passed on to the Department and, ultimately, to consumers and regulated entities.

Second, by deeming all contractor-retained records to be government records, the bill would make the Department responsible for responding to UIPA requests for records held in contractors' systems and subject to the UIPA's statutory response deadlines. In many cases, obtaining, reviewing, and redacting voluminous contractor records within ten working days is not feasible, potentially exposing the State to litigation and liability based on factors outside the Department's direct control.

Third, although existing UIPA exemptions provide some protection, the blanket designation of contractor records as government records raises concerns about the treatment of proprietary, confidential, or trade secret information routinely shared with the Department in the performance of contracts. The uncertainty and risk of disclosure could discourage qualified vendors from contracting with the State, reducing competition and increasing costs.

The Department believes that existing law already allows agencies to structure contracts to ensure appropriate access to contractor records for UIPA purposes, without imposing a one-size-fits-all mandate on all contracts involving agency functions.

For these reasons, the Department respectfully opposes S.B. No. 2312, S.D. 1, and requests that this Committee hold this measure.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M. D.
GOVERNOR
KE KIA'ĀINA

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA

BRENNA H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

BRIAN K. FURUTO
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

WRITTEN ONLY

Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
HOSUE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
Tuesday, March 17, 2026
2:00PM
State Capitol, Conference Room 325

In consideration of
SB2312 SD1, RELATING TO GOVERNMENT CONTRACTS

Chair Tarnas, Vice Chair Poepoe, and the members of the committee:

The Department of Human Resources Development (HRD) opposes SB2312 SD1.

Hawaii's Uniform Information Practices Act (UIPA), codified in Chapter 92F, HRS, was created to promote transparency in government operations. As stated in section 92F-2, HRS, legislative intent is for government decisions, discussions, and actions to be conducted as openly as possible. The goal is to ensure public accountability within government entities.

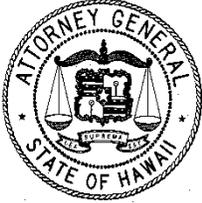
SB2312 SD1 would significantly expand the scope of the UIPA by placing new obligations on private organizations and individuals who contract with the State. These private parties would be required to keep records according to government retention rules and disclose internal documents related to their state contracts through UIPA requests. The UIPA was designed to hold government accountable. Applying the same standards to private contractors extends the law beyond its intended purpose.

The bill also places responsibility on government agencies to retrieve records from contractors when responding to UIPA requests. The measure does not account for the additional workload, staffing demands, and resources that agencies would need to meet these expanded requirements. Nor does it shield agencies from legal challenges if they cannot obtain the contractor's records in time to comply with statutory deadlines. An agency could be taken to court for failing to produce documents it does not possess and

could be liable for attorneys' fees and costs.

In 2025, the Executive Branch awarded more than 2,400 contracts totaling over \$12 million. Imposing new document handling and legal review obligations on contractors will likely increase their costs—and therefore increase costs to the State and taxpayers.

HRD respectfully asks the committee to hold this measure. We defer any questions to the Department of the Attorney General.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2026**

ON THE FOLLOWING MEASURE:

S.B. NO. 2312, S.D. 1, RELATING TO GOVERNMENT CONTRACTS.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

DATE: Tuesday, March 17, 2026

TIME: 2:00 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Jung Min (Charles) Lee, Deputy Attorney General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General (Department) strongly opposes this bill.

This bill would amend chapter 92F, Hawaii Revised Statutes (the Uniform Information Practices Act, or UIPA), to require every contract for an "agency function" to include provisions requiring contractors to: (1) retain records related to contract performance in accordance with the agency's records retention schedule; and (2) provide the agency access to those records upon request. The bill further provides that the records retained by the contractor are "deemed government records" for UIPA purposes. Although S.D. 1 replaces "government function" with "agency function" and exempts the Employees' Retirement System contracts, those changes do not address the Department's core concerns. The bill still requires contractors to retain records, requires agencies to have access to those records, and treats contractor-retained records as "government records" under UIPA.

The bill is exceptionally broad in scope. "Agency function" is defined to encompass virtually any service, program, or activity an agency is authorized or required by law to perform. In practice, this would include a wide range of state contracts and would significantly expand the scope of contractor-held records treated as government records.

The Department's principal concern is that the bill shifts UIPA compliance obligations and litigation risk to agencies for records they do not possess and do not

directly control. By deeming contractor-retained records to be government records, the bill would make the agency, not the contractor, legally responsible for responding to UIPA requests. Agencies would have to obtain records from contractors, review them for applicable statutory exceptions, redact protected information, and make disclosure determinations. If a contractor refuses or delays production, the requester's remedy would still lie against the agency. The bill does not establish a meaningful enforcement mechanism to compel contractor compliance, nor does it provide a safe harbor for agencies that make reasonable efforts to obtain records.

The bill also does not account for UIPA's ten-working-day response deadline. Agencies may need to request records from contractors and wait for production before beginning any substantive review. Delays outside the agency's direct control could expose agencies to judicial enforcement and potential liability for attorneys' fees.

In addition, this bill is likely to increase the cost of doing business with the State. Contractors may need to change record retention practices, expand storage capacity, and obtain legal review for proprietary, trade secret, and personally identifiable information. Those compliance costs would likely be passed on to the State and could disproportionately affect smaller contractors and nonprofit service providers. The fiscal and litigation impacts of this bill could therefore be significant.

Finally, the Department believes the bill is unnecessary in its current form. Existing law already reaches records related to government-contracted services to the extent they are administratively maintained by the agency, including where the agency has contractual access rights. If the Committee's concern is a specific contracting practice in a narrow context, a targeted solution would be more appropriate than a sweeping statewide mandate.

For these reasons, the Department of the Attorney General strongly opposes this bill and respectfully requests that this Committee hold the bill. Notwithstanding our strong opposition to this bill, the Department is willing to work with stakeholders between Legislative sessions to prepare a compromise that makes transparency a priority while ensuring the State's ability to manage its operations efficiently.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
RYAN K.P. KANAKA'OLE
Acting Chairperson

Before the House Committee on
JUDICIARY & HAWAIIAN AFFAIRS

Tuesday, March 17, 2026
2:00 PM
State Capitol, Conference Room 325

In consideration of
SENATE BILL 2312, SENATE DRAFT 1
RELATING TO GOVERNMENT CONTRACTS

Senate Bill 2312, Senate Draft 1 proposes to amend the Uniform Information Practices Act (UIPA) to require the contracted party of each contract to perform an agency function to retain records following the retention schedule of the agency and to provide the agency access to the records upon request, establish that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA, and exempt contracts entered into by the Employees' Retirement System. **The Department of Land and Natural Resources (Department) opposes this measure.**

Hawaii Revised Statutes Chapter 92F codifies UIPA for the purpose of ensuring that public participation and scrutiny of government would facilitate transparency. The Legislature declared that the discussions, deliberations, decisions, and actions of government agencies should be conducted as openly as possible. The Legislature's express intent was to ensure accountability and transparency in government.

This measure would broaden UIPA's reach by requiring private entities and individuals who do business with the State to maintain their records according to the State's record retention laws and make their internal documents as they relate to government contracts available to the public through a UIPA request. This goes too far. UIPA's purpose is to ensure government accountability, subjecting the private sector to the same level of accountability and scrutiny is inappropriate.

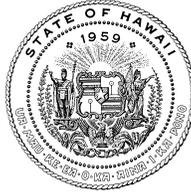
This measure would also hold government agencies responsible for obtaining documents from these contractors when an agency receives a UIPA request. However, this measure does not account for the additional time and resources that an agency would need to devote to responding

to such UIPA requests. This measure would also subject an agency to judicial enforcement if it were unable to fully respond to the request, meaning that a requestor could sue an agency if it is unable to secure records from a private contractor. Such suits would require significant resources to defend.

If this measure passes, the cost of the State doing business will go up. Contractors will need to change document retention policies, potentially store records for longer periods of time, and absorb legal costs to determine which records may be exempt as proprietary, contain personally identifying information, or should be redacted. These costs will inevitably be passed on to the consumer.

Accordingly, the Department opposes this measure and asks that it be held.

Mahalo for the opportunity to comment on this measure.



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

House Committee on Judiciary & Hawaiian Affairs

Tuesday, March 17, 2026

2:00 p.m.

State Capitol, Conference Room 325 and Videoconference

In Opposition

Senate Bill No. 2312 SD1, Relating to Government Contracts.

Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs:

The Office of the Governor is in strong opposition to S.B. No. 2312 SD1, Relating to Government Contracts.

This measure would significantly expand the reach of UIPA by requiring private entities and individuals that contract with the State to maintain records in accordance with state record retention laws and to make internal, contract related documents available through a UIPA request. This extension goes beyond UIPA's core purpose. UIPA is intended to ensure government accountability and transparency, a principle I uphold and expect all departments to follow. Imposing the same standards on private sector entities is not appropriate.

Chapter 92F, HRS, codifies the Uniform Information Practices Act to promote public participation and scrutiny of government actions. Section 92F-2, HRS, provides that the discussions, deliberations, decisions, and actions of government agencies should be conducted as openly as possible. The statute is expressly focused on government transparency and accountability.

Although transparency remains a central priority of this Administration, extending government record retention and disclosure requirements to private contractors exceeds the intent of the law. The bill would require contractors to comply with state retention requirements and potentially subject their internal contract related records to public disclosure.

The measure would also impose substantial administrative burdens on state agencies. Agencies would be required to obtain records from contractors in order to respond to UIPA requests, without additional time or resources. They would remain subject to statutory

Testimony of the Office of the Governor
S.B. No. 2312 SD1
March 17, 2026
Page 2

response deadlines and potential court enforcement, including liability for attorneys' fees and costs, even when delays are outside their direct control.

In fiscal year 2025, the executive branch awarded 2,474 contracts totaling \$12,429,503.11. If enacted, this bill would likely increase the cost of doing business with the State. Contractors may need to revise retention policies, store records for longer periods, and incur legal and administrative expenses to review and redact documents. These additional costs would ultimately be passed on to the State and taxpayers. Requiring contractors to follow state mandated retention and destruction schedules, regardless of existing systems or industry practices, would further increase administrative burdens, legal risk, and compliance costs.

Finally, the Office believes the bill is unnecessary, as records relating to contracted services are already subject to UIPA to the extent they are maintained by or accessible to the agency.

For these reasons, the Office respectfully requests that this Committee hold this bill. Mahalo for the opportunity to submit testimony on this measure.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII 'I
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259

HONOLULU, HAWAII 'I 96809

PHONE NO: (808) 587-1540

FAX NO: (808) 587-1560

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 2312, S.D.1, Relating to Government Contracts

BEFORE THE:

House Committee on Judiciary & Hawaiian Affairs

DATE: Tuesday, March 17, 2026

TIME: 2:00 p.m.

LOCATION: State Capitol, Room 325

Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

The Department of Taxation (DOTAX) opposes S.B. 2312, S.D.1, and offers the following comments for your consideration.

S.B. 2312, S.D.1, creates a new section in chapter 92F, Hawaii Revised Statutes (HRS), that deems all records created, received, maintained, or used by private contractors carrying out functions on behalf of public agencies, as government records, and are subject to the state's Uniform Information Practices Act (UIPA). The bill would require the contractor to abide by the agency's records retention schedule and all records retained by the contractor must be made available upon the agency's request. An exemption is provided to the employees' retirement system.

The bill has a defective effective date of January 1, 2525.

DOTAX is concerned that requiring contractors to comply with these requirements would discourage contractors from bidding on or continuing existing state projects, reducing competition and increasing costs. For example, the proposed 92F-_(a)(1), HRS, would require private vendors to adhere to DOTAX's retention and destruction policies, which may require drastic and costly changes to existing systems, industry practices, or contract provisions. Also, the contractor would have to dedicate

resources for the search, review, and segregate function in response to a UIPA request, likely without adequate compensation and staffing. Contractors may be unwilling to assume these obligations, and those that do may raise prices to cover the added administrative workload, legal risk, and technical demands.

Another consideration is the complexity of DOTAX's tax system, which relies on multiple integrated systems to collect, process, and distribute significant amounts of taxpayer revenue and maintain confidential taxpayer information. As a result, working with specialized contractors is both necessary and beneficial, and because of the sophisticated nature of the systems, the availability of qualified contractors is limited.

Given the intricate nature of these contracted services, safeguarding proprietary tools, methodologies, and processes is essential to retain and attract qualified contractors and to preserve the competitive value of their expertise.

DOTAX therefore requests that the Committee hold this bill.

Thank you for the opportunity to provide testimony on this measure.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

Tuesday, March 17, 2026
2:00 PM
State Capitol, Conference Room 325

SB2312, SD1
RELATING TO GOVERNMENT CONTRACTS.

Chair Tarnas, Vice Chair Poepoe and members of the Committee:

Thank you for the opportunity to testify in **opposition** to SB2312, SD1. While the Department of Business, Economic Development & Tourism (DBEDT) fully supports transparency and accountability in government, we have significant concerns regarding the operational, fiscal, and economic development impacts of this measure.

As drafted, SB2312, SD1 amends Chapter 92F, Hawai'i Revised Statutes, to require that any contractor performing an "agency function" retain records pursuant to the agency's retention schedule and provide access to those records upon request and further deems those records to be "government records" for purposes of the Uniform Information Practices Act (UIPA).

DBEDT works extensively with private-sector partners to advance economic diversification across multiple sectors, including:

- Technology and innovation (HTDC programs, incubators, R&D initiatives)
- Creative industries and film production
- Manufacturing and value-added food production
- Renewable energy and infrastructure projects
- Public-private partnerships and capital development initiatives

Many of these activities rely on contracts with private entities that develop proprietary business models, financial projections, trade secrets, investment strategies, intellectual property, and competitive market analyses.

By broadly defining “agency function” as any service, program, or activity an agency is authorized or required by law to perform, this bill would potentially sweep in a wide range of private-sector economic development activities. As a result:

- Contractors may be required to retain and potentially disclose sensitive proprietary materials.
- Venture capital partners, technology firms, production companies, and manufacturers may reconsider doing business with the State.
- The State’s ability to attract innovative firms and high-growth industries could be materially weakened.

Economic development often requires the State to partner with companies operating in competitive national and global markets. Imposing broad UIPA exposure on private contractors will increase perceived risk and reduce Hawai‘i’s competitiveness relative to other states.

The bill requires contractors to retain all records related to performance of the contract pursuant to the agency’s retention schedule and provide access to those records upon request. This may require contractors to modify internal document retention systems, seek legal counsel to review UIPA applicability and exemptions, redact proprietary and personally identifiable information, and defend against potential disputes regarding disclosure. These compliance costs will not be absorbed by private entities; they will be incorporated into bid pricing and contract costs. For DBEDT, which administers grants, incentives, innovation programs, and development projects statewide, this will directly increase program costs and reduce funds available for economic growth initiatives.

The bill places responsibility on agencies to obtain contractor records when responding to UIPA requests and deems those records to be government records. However, it does not provide additional staffing or resources to manage expanded UIPA requests, address disputes over contractor compliance, shield agencies from judicial enforcement actions if contractors delay or refuse to provide records. DBEDT already operates with limited administrative capacity across multiple attached agencies. Expanding UIPA obligations into contractor-held records may increase workload for legal and program staff, create delays in responding to requests, heighten litigation risk, and potentially expose the State to attorneys’ fees and costs. This risk is especially acute in sectors such as film production, energy infrastructure, and advanced manufacturing, where large-scale private contracts are common and where media and competitor scrutiny is routine.

Modern economic development is increasingly structured through public-private partnerships. The Legislature has encouraged such collaboration to accelerate innovation, infrastructure delivery, workforce development, and diversification of Hawai‘i’s economy. This measure may unintentionally discourage public-private infrastructure projects, technology commercialization partnerships, venture-backed

innovation initiatives, film and media productions, or manufacturing expansion projects. Private firms may determine that the compliance and disclosure exposure outweigh the benefit of partnering with the State.

The bill does not limit its application to situations where a contractor is acting as the functional equivalent of an agency. Instead, it applies broadly to any “service, program, or activity” the agency is authorized to perform. For DBEDT, this could include grant recipients, innovation challenge participants, workforce training providers, economic research contractors, and incentive program participants. This may lead to legal ambiguity or uncertainty that may ultimately be resolved through litigation rather than clear statutory guidance.

For these reasons, DBEDT respectfully urges the Committee to defer SB2312, SD1. Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

March 17, 2026

To: The Honorable David A. Tarnas, Chair,
The Honorable Mahina Poepoe, Vice Chair, and
Members of the House Committee on Judiciary & Hawaiian Affairs

Date: Tuesday, March 17, 2026
Time: 2:00 p.m.
Place: Conference Room 325, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: S.B. 2312 SD1 RELATING TO GOVERNMENT CONTRACTS

The **DLIR opposes** this measure, which seeks to clarify that records created, received, maintained, or used by private contractors performing government functions on behalf of public agencies shall be subject to the Uniform Information Practices Act (UIPA).

The bill would require government service contracts to mandate contractors performing a “government function” to follow state records retention schedules and provide access for disclosure under the UIPA. It broadly defines “government function” as any service or activity an agency is legally authorized to perform.

These requirements are overly burdensome and could discourage bidding, reduce competition, and increase costs. For example, subsection (a)(1) forces private vendors to adopt rigid state timelines, regardless of existing systems or industry practices, creating compliance risks and additional expenses.

Declaring contractor records as “government records” raises legal and practical issues, including disputes over disclosure and compliance. Agencies would face UIPA deadlines while relying on contractors to supply records, increasing litigation risk.

Finally, the bill is unnecessary because agencies already maintain and disclose relevant records under UIPA when they have contractual access.

Thank you for the opportunity to provide testimony on this important matter.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/17/2026

Time: 02:00 PM

Location: 325 VIA VIDEOCONFERENCE

Committee: JHA

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB2312, SD1, RELATING TO GOVERNMENT CONTRACTS.

Purpose of Bill: Amends the Uniform Information Practices Act (UIPA) to require the contracted party of each contract to perform an agency function to retain records following the retention schedule of the agency and to provide the agency access to the records upon request. Establishes that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA. Exempts contracts entered into by the Employees' Retirement System. Effective 1/1/2525. (SD1)

Department's Position:

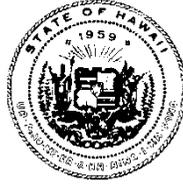
The Hawaii State Department of Education (Department) opposes SB2312, SD1. SB2312, SD1, seeks to require private entities and individuals doing business with the State to maintain records according to the State's record retention schedules and make internal documents related to government contracts available to the public via Uniform Information Practices Act (UIPA) requests.

The Department believes this bill places a significant burden on private contractors, which may increase costs and potential liability for the Department. Specifically, the Department is concerned that the bill may discourage contractors from bidding on projects, thereby reducing competition. The proposed subsection (a)(1) to chapter 92F requires private vendors to adopt state-mandated records retention and destruction timelines. Contractors may be unwilling to assume these obligations, or may increase their prices to account for the additional administrative burden and legal risks.

Additionally, the Department is concerned about increased exposure to UIPA litigation and potential liability for attorneys' fees resulting from contractor non-compliance, as the Department does not directly control contractor employees or their internal systems.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

IN REPLY PLEASE REFER TO:

26:OED

Statement of the
Hawaii Public Housing Authority

Before the
House Committee on Judiciary & Hawaiian Affairs

Tuesday, March 17, 2026
2:00 PM – Room 325, Hawaii State Capitol

In consideration of
SB 2312, SD1
RELATING TO GOVERNMENT CONTRACTS

Honorable Chair Tarnas, Vice Chair Poepoe and members of the House Committee on Judiciary & Hawaiian Affairs:

The Hawaii Public Housing Authority (HPHA) opposes Senate Bill (SB) 2312, SD1, which amends the Uniform Information Practices Act (UIPA) to require the contracted party of each contract to perform an agency function to retain records following the retention schedule of the agency and to provide the agency access to the records upon request. Establishes that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA. Exempts contracts entered into by the Employees' Retirement System.

This measure inappropriately extends UIPA's reach by requiring private contractors to follow state record-retention laws and disclose internal documents. While government accountability is vital, forcing the private sector to meet these standards is a step too far. Additionally, the bill burdens agencies with retrieving these records without providing extra resources. This creates significant legal risk; if a contractor fails to produce documents, the government agency—not the contractor—faces lawsuits and the potential payment of the requester's legal fees. Last year, the HPHA executed 39 new contracts totaling \$48,307,116.06.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony.





UNIVERSITY OF HAWAII SYSTEM
‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony
Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Judiciary & Hawaiian Affairs
March 17, 2026 at 2:00 p.m.

By
Luis P. Salaveria
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

SB 2312 SD1 – RELATING TO GOVERNMENT CONTRACTS.

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

The University of Hawai'i (UH) opposes SB 2312 SD1 which among other things, amends the Uniform Information Practices Act (UIPA) to require private entities who contract with any unit of government in the State (an "agency") to be subject to the requirements of the UIPA. Specifically, SB 2312 SD1 requires those contracting with an agency to perform an agency function to retain records following the retention schedule of that agency and to provide the agency access to the records upon request. It also establishes that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA.

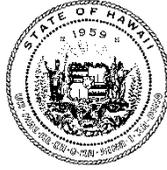
Applying UIPA requirements and record-keeping mandates to private contractors immediately raises legal, administrative, and cost concerns. The definition of "agency function" is limitless, and it is difficult to understand how the public is served by treating private contractors' internal records (including correspondence) as "government records." This bill will increase the cost of government services, as private entities will pass on the costs of administering such a program.

The bill is not clear regarding what protections, exceptions or exemptions would apply, including those existing in HRS Sections 92F-13, 92F-14 and 92F-19. Even if all of these protections are intended to apply to private entities' records, stronger exemptions for trade secrets and confidential commercial information would be needed for the private entities to participate willingly in this program.

Existing UIPA laws already cover records for contracted services, provided the agency either manages those records or has the legal right to access them under the contract. For these reasons, UH feels that this bill is unnecessary at this time.

Thank you for the opportunity to submit testimony on this measure.

JOSH B. GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



BONNIE KAHAKUI
ADMINISTRATOR

DAYNA OMIYA
ASSISTANT ADMINISTRATOR

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
STATE PROCUREMENT OFFICE

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state_procurement_office@hawaii.gov
<http://spo.hawaii.gov>

TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
JUDICIARY AND HAWAIIAN AFFAIRS
MARCH 17, 2026, 2:00 PM

SENATE BILL 2312, SD1
RELATING TO GOVERNMENT CONTRACTS

Chair Tarnas, Vice Chair Poepoe, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 2312, SD1, which would amend the Uniform Information Practices Act (UIPA) and require that records created, received, maintained, or used by private contractors performing government functions on behalf of public agencies be subject to Chapter 92F, Hawaii Revised Statutes (HRS). The State Procurement Office (SPO) respectfully opposes this bill and requests that the Committee defer this measure.

Senate Bill 2312, SD1, places the responsibility on government agencies to obtain and provide contract documents in response to a UIPA request, thereby imposing significant administrative and compliance burdens on agencies and contractors. Every contractor performing an "agency function" would be required to fully follow an agency's internal records retention schedule, regardless of scale, scope, or capability. Many vendors, especially small local businesses and nonprofit organizations, lack the systems, staffing, and legal capacity to meet government-level retention and retrieval standards, resulting in increased costs to do business with the State. Furthermore, the bill does not protect agencies from legal risks and litigation if contractors do not provide requested records.

Additional administrative time and resources would be required to ensure UIPA compliance for outsourced functions, as well as potential disclosure liability, if contractors or agencies inadvertently fail to protect sensitive information.

Testimony of the State Procurement Office
Senate Bill 2312, SD1
House Committee on Judiciary & Hawaiian Affairs
March 17, 2026
Page 2

Existing statute, Hawaii Revised Statutes (HRS) Section 103D-317, already provides the State with the authority to audit contractor and subcontractor records when cost or pricing data is required or when a negotiated contract is not fixed-price. These audit rights ensure transparency, fiscal accountability, and access to documentation directly related to contract performance, and would be subject to UIPA.

For these reasons, the SPO opposes Senate Bill 2312, SD1.

Thank you for the opportunity to submit testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

March 16, 2026

TO: The Honorable Representative David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

FROM: Ryan I. Yamane, Director

SUBJECT: **SB 2312 SD1 – RELATING TO GOVERNMENT CONTRACTS.**

Hearing: March 17, 2026, 2:00 p.m.
Conference Room 325 & Via videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services opposes this measure and defers to the Department of the Attorney General.

Requiring government-contracted providers to retain all records related to their performance of the government contract and subjecting contractors to the requirements of the Uniform Information Practices Act (UIPA) would likely require extensive increases in general fund appropriations to include these added responsibilities in the scope of any contract and thereby increase the cost of services across the board.

DHS contracts primarily include services for individuals, such as health care coverage for nearly a third of Hawaii's population and are subject to other federal and state laws that prohibit disclosure except as permitted, as well as sections 92F-13, -14, Hawaii Revised Statutes. DHS expresses concern that re-identifying capabilities are becoming easier to do by leveraging demographic data enabled by large data models and artificial intelligence.

If the measure passes, the Department will require additional human and other resources to prepare for and respond to UIPA requests, which are expected to increase in volume and complexity if this bill becomes law.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII
DEPARTMENT OF DEFENSE
KA 'OIHANA PILI KAUA
OFFICE OF THE ADJUTANT GENERAL
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

STEPHEN F. LOGAN
MAJOR GENERAL
ADJUTANT GENERAL
KA 'AKUKANA KENELALA

PHILLIP L. MALLORY
BRIGADIER GENERAL
DEPUTY ADJUTANT GENERAL
KA HOPE 'AKUKANA KENELALA

TESTIMONY ON SENATE BILL 2312 SD1
RELATING TO GOVERNMENT CONTRACTS
BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

BY

MAJOR GENERAL STEPHEN F. LOGAN
ADJUTANT GENERAL
AND DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY

March 16, 2026

Aloha Chair Tarnas, Vice-Chair Poepoe, and members of the committee:

The Department of Defense provides written testimony in **OPPOSITION** of **SB2312 SD1**. This proposal clarifies that records created, received, maintained, or used by private contractors performing government functions on behalf of public agencies shall be subject to the Uniform Information Practices Act (UIPA). While the intent of the bill to provide transparency and public trust has positive intentions, we have concerns about potential cost impacts on our department.

Requiring private entities and individuals (who are contracted to do business with our department) to maintain their records according to the State's record retention laws and to make their internal documents related to the government contract available to the public through a UIPA request will likely require additional resources and result in unbudgeted costs. The Department of Defense currently receives approximately 60 UIPA requests every year. Of these UIPA requests approximately two thirds are re-directed to other state departments or agencies, and the remaining balance is responded to by our department. The associated administrative burden, including staffing requirements, would be difficult for the department to absorb. This is still a significant number and would further increase requirements if contractors were included, particularly for the Hawai'i Emergency Management Agency (HIEMA), which relies heavily on contractors in response and recovery operations. While a portion of this issue can and would be addressed for new contracts by incorporating this bill's UIPA requirement in the contractor's scope of work, existing contracts would not and unbudgeted state funds would be required to execute those contract modifications. Furthermore, increases in costs may not be the only concern as the requirements may

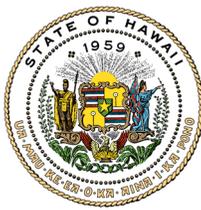
potentially be overly burdensome to contractors and discourage them from entering contracts altogether with the state. These impacts would be particularly problematic during disaster response operations, where delays could hinder critical emergency coordination, and/or prevent experienced and qualified contractors from doing business with the state.

Additionally, our legal understanding is that the bill does not prevent our department from being subject to judicial enforcement if the agency is unable to respond to the UIPA request pursuant to statute and Hawai'i Administrative Rules promulgated by the Office of Information Practices. If we are unable to produce records from our private contractor, the requesting entity can legally sue our department requiring state funds to address the lawsuit, as well as potential state funds to pay their attorney's fees and costs.

Given the potential for significant unbudgeted costs, operational delays, and legal exposure, we humbly ask you to defer this measure.

MG Stephen F. Logan, Stephen.f.logan@hawaii.gov; 808-672-1001.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
**DEPARTMENT OF CORRECTIONS
AND REHABILITATION**
*Ka 'Oihana Ho'omalua Kalaima
a Ho'oponopono Ola*
1177 Alakea Street
Honolulu, Hawaii 96813

TOMMY JOHNSON
DIRECTOR

Melanie Martin
Deputy Director
Administration

Vacant
Deputy Director
Correctional Institutions

Sanna Muñoz
Deputy Director
Rehabilitation Services
and
Programs

No. _____

TESTIMONY ON SENATE BILL 2312, SENATE DRAFT 1
RELATING TO GOVERNMENT CONTRACTS.

by
Tommy Johnson, Director
Department of Corrections and Rehabilitation

House Committee on Judiciary and Hawaiian Affairs
Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair

Tuesday, March 17, 2026; 2:00 p.m.
State Capitol, Conference Room 325 & via Videoconference

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

The Department of Corrections and Rehabilitation (DCR) **opposes** Senate Bill (SB) 2312, Senate Draft (SD) 1, which will require contractors performing an agency function to retain records related to the performance of that function and provide agencies with access to those records. Deems the records to be government records under the Uniform Information Practices Act (UIPA).

Requirements outlined in this bill may increase cost, discourage competition and may expose the State to UIPA litigation risks. Additionally, records related to government-contracted services are already subject to UIPA disclosure requirements to the extent they are administratively maintained by DCR, including situations in which DCR has contractual access rights to contractor records.

Thank you for the opportunity to provide testimony in **opposition** to SB 2312, SD 1.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: House Committee on Judiciary & Hawaiian Affairs

From: Carlotta Amerino, Director

Date: March 17, 2026, 2:00 p.m.
State Capitol, Conference Room 325

Re: Testimony on S.B. No. 2312, S.D. 1
Relating to Government Contracts

Thank you for the opportunity to submit testimony on this bill, which would add a new section to chapter 92F, HRS, the Uniform Information Practices Act (UIPA), requiring (via a mandatory contract provision) every government contractor performing a government function to retain related records and make them accessible to the agency on request, including for the purpose of the UIPA. The Office of Information Practices (OIP) offers **comments** on this proposal.

The UIPA applies not only to records in an agency's direct possession but also to records administratively maintained by the agency, and OIP has long interpreted that to include government contractor records that the agency has a contractual right to access. This bill would make such a contractual right of access a standard feature of government contracts for performance of a government function, and thus promote the public's ability to request records relating to government work even when that work is actually performed by a contractor. OIP therefore considers this bill generally consistent with the UIPA's intent and current provisions.

However, OIP acknowledges that some existing contracts to perform an agency function may not require the contractor to retain, and allow the contracting agency to review, records of the contractor's work. OIP therefore defers to the affected agencies regarding the effect on their operations of requiring such a provision in every contract to perform an agency function.

**DEPARTMENT OF CUSTOMER SERVICES
KA 'OIHANA LAWELAWE KUPA
CITY AND COUNTY OF HONOLULU**

ADMINISTRATION

925 DILLINGHAM BOULEVARD, SUITE 257 • HONOLULU, HAWAII 96817
PHONE: (808) 768-3392 • FAX: (808) 768-3750 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA

KIMBERLY M. HASHIRO
DIRECTOR
PO'O

MEGAN JOHNSON
DEPUTY DIRECTOR
HOPE PO'O



March 16, 2026

The Honorable David A. Tarnas, Chair
The Honorable Mahina Poepoe, Vice Chair
and Members of the House Committee on Judiciary & Hawaiian Affairs
State Capitol, Conference Room 325
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs:

SUBJECT: S.B. No. 2312, S.D. 1 - Relating To Government Contracts
HEARING: Tuesday, March 17, 2026, 2:00 p.m.

The City and County of Honolulu, Department of Customer Services (CSD) respectfully **opposes** this bill and has serious concerns for your committee's consideration. CSD administers all of O'ahu's motor vehicle registration and the legal process of establishing, transferring, and registering official ownership of a vehicle (titling), and driver licensing and state civil identification programs. The department also processes payments and sales for numerous city services, issues business licenses, and administers a call center providing customer support for issues that fall within the jurisdiction of the City and County of Honolulu. CSD also administers the City's abandoned and derelict vehicle towing contract, animal care and control contracts, and the affordable spay and neuter certificate program. This bill would require the contracts for all of the aforementioned government services to include mandatory provisions obligating contractors performing an "agency function" to retain records created, received, maintained, or used in contract performance in accordance with the department's records retention schedule, and provide the department access to those records for potential disclosure under the Uniform Information Practices Act (Modified), chapter 92F, Hawai'i Revised Statutes (UIPA). The bill also defines "agency function" broadly as any service, program, or activity an agency is authorized or required by law to perform.

CSD has **significant concerns** regarding the bill's application and its legal implications.

First, the bill is unnecessary because records related to government-contracted services are already subject to UIPA disclosure requirements pursuant to section 92F-12, Hawai'i Revised Statutes, to the extent they are administratively maintained by the agency, including situations in which the agency has contractual rights to access contractor records.

Second, the bill does not explicitly address the privacy of proprietary or confidential information, including sensitive personal information received, maintained and used in connection with the provision of the various contracted government services described above, trade secrets, and confidential business information.

Third, these requirements, in particular the records retention and provision of access requirements, are burdensome and will likely discourage contractors from bidding on solicited projects, thereby reducing competition and increasing costs to the city.

Finally, the bill provides that all records retained by a contractor pursuant to the new section concerning agency function contracts "shall be deemed government records" for purposes of chapter 92F. This raises significant legal and operational concerns for agencies, including the potential for increased legal disputes as to whether particular records are subject to disclosure, whether a contractor maintains responsive records, and whether records have been properly retained. Operationally, implementation will require new procedures, additional staffing, training, legal review, capacity assessment, and coordination with contracted service providers. These additional responsibilities would significantly increase the workload for agencies without information as to the need for additional funding, staffing and/or time to implement. Of concern, the bill does not include an appropriation to support these expanded responsibilities that would be placed upon the counties.

For these reasons, CSD respectfully **opposes** S.B. No. 2312, S.D. 1, and encourages the legal, operational, and resource impacts be carefully considered as this measure undergoes further deliberation.

Thank you for this opportunity to provide testimony on S.B. No. 2312, S.D. 1.

Sincerely,

for Kimberly M. Hashiro
Director

**BOARD OF WATER SUPPLY
KA 'OIHANA WAI
CITY AND COUNTY OF HONOLULU**

630 SOUTH BERETANIA STREET • HONOLULU, HAWAII 96843
Phone: (808) 748-5000 • boardofwatersupply.com

RICK BLANGIARDI
MAYOR
MEIA

ERNEST Y. W. LAU, P.E.
MANAGER AND CHIEF ENGINEER
MANAKIA A ME KAHU WILIKI

ERWIN KAWATA
DEPUTY MANAGER
HOPE MANAKIA



March 17, 2026

NĀ'ĀLEHU ANTHONY, Chair
JONATHAN KANESHIRO, Vice Chair
LANCE WILHELM
JEFFREY LAUPOLA
EDWIN H. SNIFFEN, Ex-Officio
GENE C. ALBANO, P.E., Ex-Officio

The Honorable David A. Tarnas, Chair
and Members
House Committee on Judiciary and Hawaiian Affairs
Hawai'i State Capitol, Room 325
Honolulu, Hawai'i 96813

Dear Chair Tarnas and Members:

Subject: Senate Bill 2312, SD1: Relating to Government Contracts

The Honolulu Board of Water Supply (BWS) strongly opposes Senate Bill (SB) 2312, Senate Draft (SD) 1, which amends chapter 92F, Hawai'i Revised Statutes (HRS) Uniform Information Practices Act (UIPA) to require the contracted party of each contract to perform an agency function to retain records following the retention schedule of the agency and to provide the agency access to the records upon request. Establishes that all records retained by an agency function contractor shall be deemed government records for the purposes of the UIPA.

In the bill, "Agency function" means a service, program, or activity that an agency is authorized or required by law to perform." This can mean any range of services contracted by a government agency. Under §92F-3 "Agency" means any unit of government in this State, any county, or any combination of counties; department; institution; board; commission; district; council; bureau; office; governing authority; other instrumentality of state or county government; or corporation or other establishment owned, operated, or managed by or on behalf of this State or any county, but does not include the nonadministrative functions of the courts of this State."

This bill could have unintended consequences by imposing burdensome requirements on the contracted party doing business with a government agency. It could limit the number of bidders, reduce competition and, as such actually increase the contract costs for additional service requirements. It requires a contractor doing business with a government agency to retain all records, adhere to a retention schedule, and provide anyone with access to those records upon request. The latter may subject a contractor to other compliance issues, and risks of privacy and litigation.

The Honorable David A. Tarnas, Chair
and Members
March 17, 2026
Page 2

BWS believes this bill is unnecessary. The purpose of UIPA is to ensure government agencies are accountable, compliant and provide for transparency.

Thank you for the opportunity to provide testimony in opposition to SB 2312, SD 1.

Very truly yours,



ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

House Committee on Judiciary and Hawaiian Affairs
Honorable David A. Tarnas, Chair
Honorable Mahina Poepoe, Vice Chair

RE: Testimony in Support of S.B. 2312 S.D. 1, Relating to Government Contracts
Hearing: March 17, 2026 at 2:00 p.m.

Dear Chair and Members of the Committee:

My name is Ben Creps. I am a staff attorney at Public First Law Center, a Hawai`i nonprofit organization that promotes open government. Thank you for the opportunity to submit testimony in **strong support** of S.B. 2312 S.D.1.

Current law provides that the public may ask agencies for records concerning government contracts. And when the agency follows normal procurement, that includes the records of the government contractor.¹ That is existing law.

S.B. 2312 S.D. 1 simply would provide that agencies cannot waive a standard condition of government contracting – the *agency's* right to review contractor records. *E.g.*, AG-008 103D General Conditions (Rev. 1/10/23) ¶¶ 28 (“Audit of Books and Records of the CONTRACTOR”) & 31 (“Records Retention”). There is no reason for an agency to waive its right to review contractor records.

The exemption for ERS is unnecessary and overbroad and may be read to make contractor records of ERS *less accessible than existing law*. We therefore respectfully recommend that the Committee **delete the ERS exemption at page 2, lines 15-16**.

The public’s right to know should not be diminished when agency functions are outsourced to private companies. Taking this action now is important as our state and county governments increasingly rely on private contractors to perform important government functions.

We are willing to continue working with all stakeholders to find a solution – during the interim if necessary – that achieves the intent of this proposal.

Thank you again for the opportunity to testify in strong support of S.B. 2312 S.D. 1.

¹ The fact that someone requested contractor records does not mean that records will be disclosed. Disclosure always is subject to the exceptions in HRS § 92F-13.





House Committee on Judiciary & Hawaiian Affairs

Tuesday, March 17, 2026, 2 PM Hearing in Conference Room 325 on
SB 2312, SD1 Relating to Government Contracts

TESTIMONY

Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Tarnas, Vice Chair Poepoe, and Committee Members:

The League of Women Voters of Hawaii supports the intent of SB 2312, SD1. A couple years ago the University of Hawaii (UH) entered into a controversial personnel search contract which deliberately prevented normal disclosure of contractor work products to the UH. Non-disclosure of contractor work products to the UH also shielded contractor work products from public disclosure under UIPA. In effect this UH contract pioneered a new and abusive way for public agencies to frustrate public review and comment on the performance of government contractors. Legislation is required to prevent this from happening again. However, we are uncertain whether agency concerns justify further bill amendments.

March 17, 2026, 2 p.m.
Hawaii State Capitol
Conference Room 325 and Videoconference

To: House Committee on Judiciary & Hawaiian Affairs
Rep. David A. Tarnas, Chair
Rep. Mahina Poepoe, Vice-Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN SUPPORT OF SB2312 SD1 — RELATING TO GOVERNMENT CONTRACTS

Aloha Chair, Vice Chair and other Committee Members,

The Grassroot Institute of Hawaii **supports** [SB2312 SD1](#), which would clarify state law regarding government contracting. This bill would require that private contractors performing an agency function retain all records related to that function and provide the agency with access to those records on request. It also states that such records are deemed government records, which would make them subject to the Uniform Information Practices Act.

We applaud this effort to eliminate a loophole that could allow an agency to evade transparency requirements for records that are related to work carried out by private entities under a government contract.

The intent of sunshine laws is to provide public access to government decision-making and actions, especially when those actions involve the use of public funds. Allowing agencies to avoid disclosure of records related to contract work would frustrate this intent.

Furthermore, transparency laws help discourage government corruption and self-dealing — concerns that are often heightened in the case of government contracting.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

SB-2312-SD-1

Submitted on: 3/15/2026 4:27:07 PM

Testimony for JHA on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christine L. Andrews, J.D.	Individual	Support	Written Testimony Only

Comments:

Mahalo for supporting this measure.

SB-2312-SD-1

Submitted on: 3/16/2026 9:11:58 AM

Testimony for JHA on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ross Isokane	Individual	Support	Written Testimony Only

Comments:

I support SB2312.

In Hawai‘i’s current crisis of public confidence in government, transparency is more important than ever. Agencies should not be able to avoid public accountability simply by outsourcing work to private contractors. When contractors perform government functions using taxpayer funds, the public should still have access to the records that explain how those decisions were made and how that money was spent.

Recent reporting has raised serious concerns about taxpayer-funded programs operated through contractors and nonprofit intermediaries. For example, investigations into pandemic-era COVID testing programs and other publicly funded projects have revealed large payments to politically connected consultants and contractors, sometimes with little to show for the public investment. Situations like these erode public trust and reinforce the need for strong transparency laws.

SB2312 addresses a simple principle: transparency should follow the function. If a contractor is performing work on behalf of the government, the records associated with that work should remain accessible under Hawai‘i’s public records laws.

Public records laws exist so residents can understand how their government operates and how public money is used. Allowing those records to disappear behind contractor walls undermines that purpose.

For these reasons, I respectfully urge the Legislature to pass SB2312.

SB-2312-SD-1

Submitted on: 3/16/2026 9:54:49 AM

Testimony for JHA on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in support of SB2312 SD1 because it codifies transparency into policy. I would suggest that the date in Section 6 be modified on paper to reflect the specific date in the near future such as 2027. Mahalo for your consideration.

SB-2312-SD-1

Submitted on: 3/16/2026 12:05:04 PM

Testimony for JHA on 3/17/2026 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann V Saffery	Individual	Support	Written Testimony Only

Comments:

support