

Honolulu, Hawaii

**March 3**, 2006

RE: H.B. No. 3087  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 3087, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is to provide the Hawaii Health Systems Corporation (HHSC) with more flexibility to purchase health care goods and services. Specifically, this bill:

- (1) Designates the administrator of each hospital in HHSC, or the administrator's designee, as the chief procurement officer of HHSC; and
- (2) Increases from \$25,000 to \$100,000 the amount for which a procurement of goods, services, or construction can qualify as a small purchase.

The State Procurement Office and several individuals from HHSC supported the intent of this bill. The Department of Accounting and General Services offered comments.

Your Committee has amended this bill by:

- (1) Designating only the chief executive officer of HHSC as the chief procurement officer of HHSC;



- (2) Changing to \$50,000 the amount for which a procurement of goods, services, or construction can qualify as a small purchase; and
- (3) Changing the effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3087, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 3087, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
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DWIGHT TAKAMINE, Chair



