

STAND. COM. REP. NO.

2324

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 2898
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Health and Transportation and Government Operations, to which was referred S.B. No. 2898 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose of this measure is to provide a limited procurement exemption for the Hawaii Health Systems Corporation (HHSC), and allow the HHSC to appoint a chief procurement officer.

Your Committees received testimony in support of this measure from the Governor's office, HHSC, and West Kauai Medical Center - Mahelona Medical Center. Testimony in partial opposition was received from the State Procurement Office (SPO), and in opposition from Diagnostic Laboratory Services, Inc.

The utmost concern of your Committees is the protection of patient care and safety. Testimony from the HHSC before a joint legislative committee during the interim on procurement was rife with incidences of delayed procurement or no procurement of essential medical supplies and equipment. Your Committees are cognizant of the transitional difficulties inherent in the repeal of the HHSC's procurement exemption pursuant to Act 216, Session Laws of Hawaii 2004. Nonetheless, your Committees understand from the testimony of the SPO that procurement procedures of the HHSC are proceeding efficiently with the assistance of the SPO.

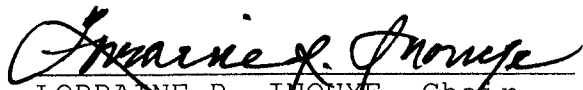
Your Committees have amended this measure by:

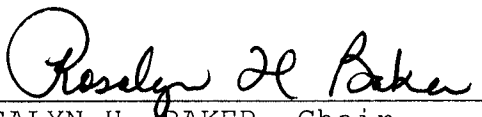


- (1) Deleting references to a limited procurement exemption;
- (2) Clarifying the language relating to the chief procurement officer for the HHSC; and
- (3) Making a conforming statutory amendment.

As affirmed by the records of votes of the members of your Committees on Health and Transportation and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2898, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2898, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Health and
Transportation and Government
Operations,


LORRAINE R. INOUE, Chair


ROSALYN H. BAKER, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Health
(Bills and Resolutions)

Measure:* <i>SB 2898</i>	Committee Referral: <i>HTH/TGO, WAM</i>	Date: <i>2/8/06</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
BAKER, Rosalyn H. (C)	✓			
CHUN OAKLAND, Suzanne (VC)	✓			
HANABUSA, Colleen				✓
TSUTSUI, Shan S.	✓			
WHALEN, Paul	✓			
TOTAL	<i>4</i>	<i>0</i>	<i>0</i>	<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Suzanne Chun Oakland</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.

