MAR 1 4 2007

## SENATE CONCURRENT RESOLUTION

REQUESTING THE STATE PROCUREMENT OFFICE TO DRAFT AMENDMENTS TO THE PROCUREMENT CODE RELATING TO THE UNIVERSITY OF HAWAII.

WHEREAS, in 2000, the University of Hawaii (University) was granted constitutional authority and power over matters involving its own management and operations; and

WHEREAS, the University was granted an exemption from the State Procurement Code; and

WHEREAS, the University developed a state-of-the-art alternative procurement system that meets the goals of the State Procurement Code within the context of University needs; and

WHEREAS, in 2004, the University's exemption was revoked, which has cost time, money, and efficiency by requiring the University to participate in less efficient processes and procedures more appropriate to executive departments and not to the University; and

WHEREAS, according to the Hawaii Procurement Institute, Hawaii's original Procurement Code was modeled after the American Bar Association's 1979 Model Procurement Code; and

WHEREAS, in 2000, the American Bar Association replaced its 1979 model code with an updated model code; and

WHEREAS, the State Procurement Office has testified that some of the amendments of the Hawaii State Procurement Code over the years have moved away from the best practices in public procurement; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, the House of Representatives concurring, that the State Procurement Office is requested to review the State Procurement Code for its applicability to the University of Hawaii; and

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BE IT FURTHER RESOLVED that as part of its review, the State Procurement Office is requested to draft proposed legislation that:

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Incorporates for all state agencies efficiencies and (1) improvements made by the University of Hawaii's procurement process as developed during the time of its exemption;

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Provides for complete operational and management (2) authority over procurement issues for the University of Hawaii; and

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Eliminates the use of public procurement for (3) enforcement of compliance with various State rules and places responsibility for compliance back in the hands of the agencies that have adopted these rules; and

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BE IT FURTHER RESOLVED that the State Procurement Office, Department of Accounting and General Services, is requested to submit its findings and recommendations for implementation, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2008; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Chair of the Board of Regents and the President of the University of Hawaii, and the Comptroller.

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