

STAND. COM. REP. NO. 526

Honolulu, Hawaii
FEB 16, 2007

RE: H.B. No. 1659
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 1659 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is to ensure that funds solicited by government to cover the costs and expenses of a state-sponsored enterprise, including trips and other endeavors to generate business opportunities and goodwill for the State, are expended fairly and openly, and subject to competitive procedures, by providing that these funds must be deposited into the general fund, disbursed by legislative appropriation, and expended under the procurement code.

The Department of Business and Economic Development and Tourism (DBEDT), and High Technology Development Corporation opposed this bill. The Department of Agriculture commented.

Your Committee understands that this bill targets trade show activities coordinated by state agencies such as DBEDT, where participants from the business community are responsible for offsetting part of the costs of booths, equipment, and other related expenses. To allow this valuable public-private partnership to continue, while increasing transparency and accountability in this government endeavor, your Committee has amended this bill by appropriating \$50,000 as seed money for initial costs and expenses of this marketing program, and

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respectfully requests the Committee on Finance to evaluate the appropriateness of the dollar amount. Technical nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1659, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1659, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



