

STAND. COM. REP. NO.

77

Honolulu, Hawaii

FEB 18 2009

RE: S.B. No. 505
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Higher Education, to which was referred
S.B. No. 505 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose of this measure is to exempt the University of
Hawai'i from public procurement code requirements through June 30,
2014.

Testimony in support of this measure was submitted by the
University of Hawai'i System, the University of Hawaii Professional
Assembly, and one individual. Testimony in opposition was
submitted by the State Procurement Office, AIA Hawaii State
Council, American Council of Engineering Companies of Hawaii,
American Public Works Association Hawaii Chapter, Ironworkers
Stabilization Fund Local 625, Plumbing & Mechanical Contractors
Association of Hawaii, Subcontractors Association of Hawaii, and
one individual. Copies of written testimony are available for
review on the Legislature's website.

Your Committee finds that this measure would give the
University temporary flexibility in procurement, which was
previously provided to the University from 1998 through 2004.
Your Committee has heard that the capital improvement project
budget request approved by the Board of Regents includes
approximately \$350,000,000 for priority projects in health and
safety, capital renewal and deferred maintenance, and equipment.
These critical deferred maintenance and capital renewal projects

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are on all campuses, already identified, involve little in the way of permitting, and are ready to launch quickly.


Your Committee has heard a number of concerns raised, however, regarding a complete exemption from the procurement provisions. While your Committee is supportive of fast tracking projects that will benefit both the University and the local economy, members believe many of these concerns should be addressed.

Your Committee has amended this measure accordingly, by:

- (1) Requiring the Board of Regents to develop public procurement practices that are subject to section 103D-304 (procurement of professional services), part X of chapter 103D (preferences), and chapter 104 (wages and hours of employees on public works), Hawaii Revised Statutes; and
- (2) Amending the effective date to July 1, 2030 for the purpose of encouraging further discussion.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 505, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 505, S.D. 1, and be referred to the Committee on Judiciary and Government Operations.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education,

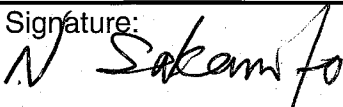


JILL TOKUDA, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Higher Education
HRE

Bill / Resolution No.:*	Committee Referral:	Date:		
SB505	HRE, JED	02-10-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<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	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
SAKAMOTO, Norman (VC)	✓			
BAKER, Rosalyn H.	✓			
KOKUBUN, Russell S.	✓			
TAKAMINE, Dwight Y.	✓			
TANIGUCHI, Brian T.	✓			
SLOM, Sam			✓	
TOTAL	6	—	1	—
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes