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March 20, 2009

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

HOUSE BILL NO. 1470, H.D.1, RELATING TO HAWAII PUBLIC PROCUREMENT CODE.

COMMITTEE ON JUDICIARY AND GOVERNMENT OPERATIONS

The Department of Transportation (DOT) **supports** this bill with changes as described in our testimony. This bill will exempt the procurement of goods, services, or construction from a source approved as the sole source by the federal government under a federal grant in any procurement funded by state and federal matching funds, or by federal funds alone.

In 2004, the State Civil Defense submitted a grant request to the Department of Homeland Security which named a local vendor, Hawaiya Technologies, Inc. and its system called the Hawaii Homeland Security Command Information System. The grant was subsequently awarded to State Civil Defense naming both the State of Hawaii and Hawaiya Technologies in the award.

The DOT has subsequently submitted five projects in its applications for port security grants under the Department of Homeland Security. These projects include expanding the Hawaii Homeland Security Command Information System to other commercial harbors in the state with Hawaiya Technologies, Inc. as the vendor for its implementation.

Exempting such procurements from the Hawaii Procurement Code will facilitate the DOT's implementation of federal grants utilizing the vendor approved by the federal agency. The public interest is served as the grant process is conducted under a competitive process dictated by the applicable federal agencies providing the grants.

We urge the Committee to move this bill out with its effective date changed from July 1, 2020 to upon the bill's approval.