

MAR 04 2010

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# SENATE CONCURRENT RESOLUTION

REQUESTING A FEASIBILITY STUDY TO DETERMINE WHETHER THE STATE  
PROCUREMENT OFFICE SHOULD CENTRALIZE THE PROVISION OF  
COMPLEX PROCUREMENT SERVICES.

1           WHEREAS, the Legislature adopted House Concurrent  
2 Resolution No. 76, H.D. 1, S.D. 1 in 2009, establishing a Task  
3 Force on Reinventing Government to examine the existing  
4 operations and organization of Hawaii's state government and  
5 recommend ways to make Hawaii's government more efficient; and  
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7           WHEREAS, The Task Force on Reinventing Government was  
8 formed in October 2009 and gathered together a varied group of  
9 government leaders, state agency and department heads, community  
10 leaders, nonprofit organization leaders, and business executives  
11 from around the State; and  
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13           WHEREAS, The Task Force formed subcommittees to examine six  
14 primary departments and issue areas and tasked each subcommittee  
15 with formulating up to five recommendations relating to each  
16 issue area; and  
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18           WHEREAS, on January 4, 2010, the Task Force as a whole  
19 adopted the recommendations of the subcommittees as the  
20 recommendations of the Task Force; and  
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22           WHEREAS, one of the concerns noted by the Land and Natural  
23 Resources Subcommittee was the complexity of the Hawaii Public  
24 Procurement Code and process for preparing Requests for  
25 Proposals for certain projects; and  
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27           WHEREAS, the Land and Natural Resources Subcommittee found  
28 that the State Procurement Office provides extensive training to  
29 agency staff on all islands on how to properly conduct  
30 procurement, and many projects are stalled as staff await  
31 procurement training; and  
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1           WHEREAS, the Land and Natural Resources Committee  
2 recommended centralizing complex procurement by having the State  
3 Procurement Office prepare complex procurement documentation for  
4 state agencies on a fee-for-service basis, rather than by  
5 providing procurement training to agency staff members; and  
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7           WHEREAS, the Legislature finds that the centralization of  
8 complex state procurement could create a fair system of charging  
9 agencies for the state procurement services they use and reduce  
10 delays in the commencement or completion of projects, thereby  
11 improving government efficiency and productivity; now,  
12 therefore,  
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14           BE IT RESOLVED by the Senate of the Twenty-fifth  
15 Legislature of the State of Hawaii, Regular Session of 2010, the  
16 House of Representatives concurring, that the State Procurement  
17 Office or, if necessary, a working group convened by the State  
18 Procurement Office, is requested to perform a feasibility study  
19 to determine whether the State Procurement Office should  
20 centralize complex procurement services for state agencies  
21 through a fee-for-service or other funding mechanism; and  
22

23           BE IT FURTHER RESOLVED that the feasibility study compare  
24 costs, personnel, and the amount of time required to prepare and  
25 complete complex procurement documentation and Requests for  
26 Proposals when the procurement process is undertaken by state  
27 agency staff trained by the State Procurement Office against the  
28 same measures when the State Procurement Office prepares  
29 documentation for complex procurement services and Requests for  
30 Proposals for state agencies; and  
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32           BE IT FURTHER RESOLVED that if the State Procurement Office  
33 or the working group, as the case may be, finds that  
34 centralization of complex procurement services is feasible, the  
35 Office or the working group is requested to include in its  
36 findings whether a fee-for-service funding mechanism for the  
37 Office's provision of services is recommended and the  
38 recommended amount of the fee for services; and  
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40           BE IT FURTHER RESOLVED that if the State Procurement Office  
41 or the working group, as appropriate, finds that a fee-for-  
42 service funding mechanism is not feasible or recommended, the  
43 Office or working group is requested to recommend an alternative  
44 funding mechanism, which may be similar to the collection of a



1 percentage of certain special fund receipts for central service  
 2 expenses pursuant to section 36-27, Hawaii Revised Statutes, the  
 3 reimbursement of a pro rata share of administrative expenses  
 4 incurred by a department for the operation of a special fund  
 5 pursuant to section 36-30, Hawaii Revised Statutes, or another  
 6 funding mechanism; and  
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8 BE IT FURTHER RESOLVED that the State Procurement Office or  
 9 the working group, as appropriate, report its findings and  
 10 recommendations to the Legislature no later than twenty days  
 11 prior to the convening of the Regular Session of 2011; and  
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13 BE IT FURTHER RESOLVED that certified copies of this  
 14 Concurrent Resolution be transmitted to the Administrator of the  
 15 State Procurement Office and the Comptroller.  
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OFFERED BY: Amos Maudo Ho

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