

MAR 04 2010

SENATE 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
6

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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33 WHEREAS, the Land and Natural Resources Committee
34 recommended centralizing complex procurement by having the State
35 Procurement Office prepare complex procurement documentation for



1 state agencies on a fee-for-service basis, rather than by
2 providing procurement training to agency staff members; and
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4 WHEREAS, the Legislature finds that the centralization of
5 complex state procurement could create a fair system of charging
6 agencies for the state procurement services they use and reduce
7 delays in the commencement or completion of projects, thereby
8 improving government efficiency and productivity; now,
9 therefore,
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11 BE IT RESOLVED by the Senate of the Twenty-fifth
12 Legislature of the State of Hawaii, Regular Session of 2010,
13 that the State Procurement Office or, if necessary, a working
14 group convened by the State Procurement Office, is requested to
15 perform a feasibility study to determine whether the State
16 Procurement Office should centralize complex procurement
17 services for state agencies through a fee-for-service or other
18 funding mechanism; and
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20 BE IT FURTHER RESOLVED that the feasibility study compare
21 costs, personnel, and the amount of time required to prepare and
22 complete complex procurement documentation and Requests for
23 Proposals when the procurement process is undertaken by state
24 agency staff trained by the State Procurement Office against the
25 same measures when the State Procurement Office prepares
26 documentation for complex procurement services and Requests for
27 Proposals for state agencies; and
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29 BE IT FURTHER RESOLVED that if the State Procurement Office
30 or the working group, as the case may be, finds that
31 centralization of complex procurement services is feasible, the
32 Office or the working group is requested to include in its
33 findings whether a fee-for-service funding mechanism for the
34 Office's provision of services is recommended and the
35 recommended amount of the fee for services; and
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37 BE IT FURTHER RESOLVED that if the State Procurement Office
38 or the working group, as appropriate, finds that a fee-for-
39 service funding mechanism is not feasible or recommended, the
40 Office or working group is requested to recommend an alternative
41 funding mechanism, which may be similar to the collection of a
42 percentage of certain special fund receipts for central service
43 expenses pursuant to section 36-27, Hawaii Revised Statutes, the
44 reimbursement of a pro rata share of administrative expenses



1 incurred by a department for the operation of a special fund
2 pursuant to section 36-30, Hawaii Revised Statutes, or another
3 funding mechanism; and
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5 BE IT FURTHER RESOLVED that the State Procurement Office or
6 the working group, as appropriate, report its findings and
7 recommendations to the Legislature no later than twenty days
8 prior to the convening of the Regular Session of 2011; and
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10 BE IT FURTHER RESOLVED that certified copies of this
11 Resolution be transmitted to the Administrator of the State
12 Procurement Office and the Comptroller.
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OFFERED BY:

David Y. Lee
Erzanna Chun Oshiro
[Signature]

[Signature]
[Signature]
Michelle N. Lohani
Clarence K. Siskin
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