

HB2283

HD2

LATE

LINDA LINGLE
GOVERNOR



LATE

RUSS K. SAITO
Comptroller

SANDRA L. YAHIRO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
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TESTIMONY
OF
RUSS K. SAITO, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
JUDICIARY AND GOVERNMENT OPERATIONS
ON
March 24, 2010

H.B. 2283, H.D. 2

RELATING TO PUBLIC PROCUREMENT

Chair Taniguchi and members of the Committee, thank you for the opportunity to testify on H.B. 2283, H.D. 2.

The Department of Accounting and General Services (DAGS) would like to point out that this bill is not necessary because its purpose is fulfilled by Hawai'i Administrative Rules HAR 3-131-1.02 titled "Procurement Code of Ethics".

The State Procurement Office, which is responsible for the administrative rules for procurement, can provide clarification on this matter.

Thank you for the opportunity to testify on this matter.

LATE

TESTIMONY OF
DAN CHUN
BOARD MEMBER, HAWAII PROCUREMENT INSTITUTE
ON BEHALF OF THE HAWAII PROCUREMENT INSTITUTE

TO THE SENATE COMMITTEE
ON
JUDICIARY AND GOVERNMENT OPERATIONS

March 24, 2010
9:30 a.m.
HB 2283, HD1

IN SUPPORT OF HB 2283, RELATING TO PUBLIC PROCUREMENT

Chair Taniguchi, Vice-Chair Takamine, and Committee members, thank you for the opportunity to testify in support of HB 2283, HD1.

This Bill will require government procurement officials and contractors involved in a public procurement to act in good faith and observe specified standards of ethical conduct. The Hawaii Procurement Institute believes that this Bill will operate to enhance public confidence in the integrity of the procurement process.

Although the present State Procurement Rules include an ethics provision at HAR §3-131-1.02, this Bill will strengthen and emphasize the government's commitment to ethical procurement practices. Passage of the Bill will ensure the Procurement Policy Board cannot weaken or remove clearly defined standards of conduct from the procurement rules. In addition, passage of the Bill will remove any possible concerns that promulgation of ethics rules is assigned solely to the State Ethics Commission under HRS Chapter 84.

Public confidence in the integrity of the procurement system is an integral part of effective public contracting operations. HB 2283, HD1 will promote ethics in public contracting and thereby prevent corrupt spending practices. By passing this Bill, the Legislature will assure the public that its tax dollars are obligated through honest and open procurement methods.

For these reasons, the Hawaii Procurement Institute strongly supports HB 2283, HD1 and urges its passage.

Thank you for your kind consideration of this testimony.