

LINDA LINGLE  
GOVERNOR



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Comptroller

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STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
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**LATE TESTIMONY**  
TESTIMONY  
OF  
RUSS K. SAITO, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEE  
ON  
ECONOMIC REVITALIZATION, BUSINESS & MILITARY AFFAIRS  
ON  
February 4, 2010

H.B. 2438

RELATING TO PROCUREMENT

Chair McKelvey and members of the Committee, thank you for the opportunity to testify on H.B. 2438, which proposes to clarify public notice requirements for invitation for bids (IFB).

The Department of Accounting and General Services (DAGS) understands the intent of this bill but opposes it because it is unnecessary and ineffective. There is no need to limit the time for an invitation to bid to be accessible in print or electronic format to 15 days. The bid should be accessible for as long as the procuring agency deems it practical for the nature of the project involved. If the intent is to speed up the process of responding to invitations for bids, time limits for responding that are appropriate to the projects involved based on size or other criteria can be administratively imposed.

Thank you for the opportunity to testify on this matter.

LINDA LINGLE  
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TO: IN REPLY REFER

## **LATE TESTIMONY**

FEBRUARY 4, 2010

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

COMMITTEE ON ECONOMIC REVITALIZATION,  
BUSINESS, & MILITARY AFFAIRS

HOUSE BILL NO. 2438, RELATING TO PROCUREMENT.

While the Department of Transportation ("DOT") supports expediting the procurement process for projects, we must oppose this bill as it is currently written. Fifteen days as a maximum bid period is simply not enough time for adequate public notice for procurements achieved under Section 103D-302, Hawaii Revised Statutes ("HRS") for very complex projects such as many of those performed by the DOT. This bill would also contradict the requirements of Section 103D-302, HRS, for construction or design-build projects which are required to hold non-mandatory pre-bid meetings at least fifteen days prior to the submission of bids.

Many DOT projects that are procured under Section 103D-302 are complex in nature and require additional time for tasks such as, clarification requests, product substitution requests, and other revisions that the procurement officer may deem necessary. If the public notice period is limited to not more than 15 days, it will prevent contractors from requesting any additional information or requesting possible



Testimony of C. Mike Kido  
External Affairs  
The Pacific Resource Partnership

House Committee on Economic Revitalization, Business, & Military Affairs  
Rep. Angus McKelvey, Chair  
Rep. Isaac Choy, Vice Chair

HB 2438 – Relating to Procurement  
Thursday, February 4, 2010  
8:00 A.M.  
Conference Room 312

Chair Angus McKelvey and members of the committee:

My name is C. Mike Kido, External Affairs for the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Carpenters Union. PRP **supports** HB 2438 – Relating to Procurement, which clarifies requirements for adequate public notice of an invitation for bids and request for proposals.

PRP understands and appreciates the difficulty faced by the Legislature in determining ways to achieve a quick economic recovery and thus support HB 2438 to provide exemptions from statutes relating to procurement and rulemaking to allow the State to expedite the implementation or expansion of programs, services and benefits that are instrumental to the economic success of the State.

Thank you for the opportunity to share our opinion and we kindly ask for your support of HB 2438 – Relating to Procurement.