

STAND. COM. REP. NO. 3393

Honolulu, Hawaii

APR 13 2012

RE: S.C.R. No. 40
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred
S.C.R. No. 40, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE RENAMING OF AND
THE EXTENSION OF THE PROMPT PAYMENT TASK FORCE TO DEVELOP
RECOMMENDATIONS TO ADDRESS ISSUES THAT AFFECT PROCUREMENT FOR
GOODS AND SERVICES PURCHASED THROUGH NONPROFIT ORGANIZATIONS,
INCLUDING HUMAN SERVICE NONPROFIT ORGANIZATIONS THAT DELIVER
PIVOTAL GOODS AND SERVICES TO INDIVIDUALS, FAMILIES,
COMMUNITIES, AND OTHER SMALL BUSINESSES,"

begs leave to report as follows:

The purpose and intent of this measure is to address problems
that have arisen in the process of government procurement of goods
and services from nonprofit organizations in Hawaii.

Written comments in support of this measure were submitted by
Goodwill Industries of Hawaii, Inc., and Hawaii Alliance of
Nonprofit Organizations.

Written comments on this measure were submitted by the State
Procurement Office.

Your Committee finds that the Prompt Payment Task Force has
identified multiple areas in the process of procuring goods and
services from nonprofit organizations that are in need of
improvement, particularly with regard to human services
organizations. Accordingly, your Committee believes that the task
force should continue its analysis, with particular emphasis on:

SCR40 SD1 SSCR LRB 12-2561.doc



- (1) Examining procurement issues from the initial contracting phases through service delivery, with particular focus on invoicing and payment issues;
- (2) Identifying processes among contracting parties and the State Procurement Office that may be simplified or standardized; and
- (3) Developing the scope of a pilot project to demonstrate the effective use of a performance management tool, such as a dashboard, as a means of improving business processes and streamlining the procurement process.

Your Committee finds that changing the focus of the task force and extending it to December 31, 2012, will enable it to offer further recommendations on how to improve the process by which the government procures goods and services from nonprofit organizations in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 40, S.D. 1, and recommends its adoption.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SCR 40 SD1	Committee Referral: EDT/PGM, WAM	Date: 4-11-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado				/
KAHELE, Gilbert				/
KOUCHI, Ronald D.				/
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam				/
TOTAL	10	0	0	4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes