



STATE OF HAWAII
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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE
SENATE COMMITTEES
ON
HAWAIIAN AFFAIRS
AND
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS

March 14, 2012

2:45 p.m.

HB 2529, HD1

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

Chairs Galuteria and Espero, Vice-Chairs Ryan and Kidani, and members of the committees, thank you for the opportunity to testify on HB 2529. HD1. This bill allows an exemption from HRS chapter 103D, Hawaii Public Procurement Code (Code), for expenditures and procurements less than \$250,000 made from Hawaiian home trust funds.

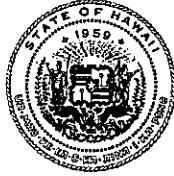
The State Procurement Office (SPO) opposes this bill. The department should follow the source selection methods identified in Part III of HRS chapter 103D for expenditures and procurements regardless of dollar amounts.

Public procurement's primary objective is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion or fraud in awarding of contracts. To the extent agencies may need specific purchases to be exempt from the procurement code requirements; the code provides an exemption process.

There is nothing unique or special in the awarding of these funds that cannot be accommodated in the Code.

Thank you.

NEIL ABERCROMBIE
GOVERNOR
STATE OF HAWAII



ALBERT "ALAPAKI" NAHALE-A
CHAIRMAN
HAWAIIAN HOMES COMMISSION

MICHELLE K. KAUHANE
DEPUTY TO THE CHAIRMAN

M. WAIALEALE SARSONA
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF ALAPAKI NAHALE-A, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEES ON HAWAIIAN AFFAIRS &
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS
IN SUPPORT OF

HB 2529 HD 1, RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

March 14, 2012

Chair Galuteria, Chair Espero, and Members of the Committee:

The Department of Hawaiian Home Lands strongly supports HB 2529 HD 1, which allows the department to create its own procurement requirements for any expenditure of trust funds less than \$250,000. This bill is part of the Governor's administrative package by request of our department.

The department currently operates without the support of general funds, and depends wholly on its trust fund resources. Procurement flexibility on small purchases allows the department to expend trust funds more efficiently to better respond to and address the needs of trust beneficiaries. This flexibility would maintain fairness and transparency, while reducing barriers for Hawaiian homestead associations and organizations to compete as vendors and service providers. Further, streamlined procurement processes for small purchases expedite contract awards which potentially create jobs.

Mahalo for the opportunity to testify in strong support of this important measure.



HB2529 HD1

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

Senate Committee on Public Safety, Government Operations, and Military Affairs

March 14, 2012

2:45 p.m.

Room 224

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HB2529 HD1, which provides DHHL with procurement flexibility for certain purchases.

This bill allows the Department of Hawaiian Homelands (DHHL) to streamline its procurement process for smaller contracts. This will make DHHL a more efficient agency and provide greater access to competitive bids from locally owned businesses that find the current procurement regime to have too many technical barriers. Increased efficiency and a more accessible bidding process will enable DHHL to provide better service to its beneficiaries, who are also OHA's beneficiaries.

Therefore, OHA urges the committees to PASS HB2529 HD1. Mahalo for the opportunity to testify on this important measure.

galuteria1 - Davis

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 14, 2012 7:40 AM
To: HWN Testimony
Cc: info@schha.com
Subject: Testimony for HB2529 on 3/14/2012 2:45:00 PM

Testimony for HWN/PGM 3/14/2012 2:45:00 PM HB2529

Conference room: 224
Testifier position: Support
Testifier will be present: No
Submitted by: Annie Au Hoon, President
Organization: SCHHA
E-mail: info@schha.com
Submitted on: 3/14/2012

Comments:

All 33 members of SCHHA are in support.

Kamaki Kanahale, Chairman of SCHHA

Lorraine Rapozo, Secretary

Kammy Purdy, Vice Chair

Jared Aiwohi, Exec Officer

Beatrice Hew Len, Oahu Mokupuni

Herbert Kalena Hew Len, Council Kahu

Micheal Kahikina, Government Affairs & Legislative Myron Brumaghim / Margie Maaka, Education

Helen O'Connor Health / Human Service

Tasha Kama, Genealogy

Al Harrington, Native Tourism

Dr. Agnes Cope, AHA Kupuna Council

Branscombe Richmond, Telecommunication, Productions

Audrey Loo, Anahola Hawaiian Lands Farms Assn Kawehi Mahi Anahola Hawaiian Homes Association

Harry Purdy, Hoolehua Homestead Agriculture Assn Oochie Bush, Hoolehua Homestead Association

Aimuku Pali, Ka Ohana Kahikinui Vivian Ainoa, Kamiloloa One-Alii Homesteaders J. Leilani

Wallace, Kapaakea Homesteader Colleen Aiwohi, Kaupe'a Homestead Community Annie Au Hoon,

Kewalo Hawaiian Homestead Comm Kimo Keli, Nanakuli Hawaiian Homestead Comm Assn Kelly

Lincoln, Panaewa Hawaiian Home Lands Olinda Aiwohi, Paukukalo Hawaiian Homestead Assn Rodney

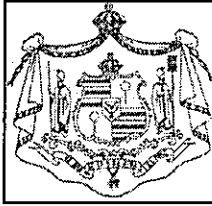
Paahana, Villages of Leialii Association Herbert Hew Len, Waianae Kai Homestead Association

Alapake Heanu, Waiehu Kou I Homestead Association Aloha Planesi, Waiehu Kou II Homeowners Assn

Roy Oliver, Waiehu Kou III Community Association Danny Kanahale, Waiehu Kou IV Micheal

Hodson, Waimea Hwn Homesteaders Assn, Inc Blossom Feiteira, Association of Hawaiians for

Homestead Lands



Association of Hawaiian Civic Clubs

P. O. Box 1135
Honolulu, Hawai'i 96807

TESTIMONY OF PRESIDENT SOULEE STROUD

HOUSE BILL 2529 HD1(HSCR898-12) RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

SENATE JOINT COMMITTEE ON HAWAIIAN AFFAIRS and PUBLIC SAFETY, GOVERNMENT OPERATIONS & MILITARY AFFAIRS

Wednesday, March 14, 2012; 2:45pm; Room 224

Aloha Chairman Galuteria of the Committee on Hawaiian Affairs, Chairman Espero of the Committee on Public Safety, Government Operations and Military Affairs and to members of both committees.

I am Soulee Stroud, president of the Association of Hawaiian Civic Clubs in support of House Bill 2529HD1 that exempts the Department of Hawaiian Home Lands from the Hawaii Public Procurement Code on expenditures of less than \$250,000.00. This bill would allow the Department to create its own rules for such expenditures.

Flexibility and a streamlined process for small purchases would be more efficient in responding to the needs of the Department's trust beneficiaries, as well as in awarding contracts.

This bill also requires the Department to submit annual reports to the legislature on the solicitation of goods, services, construction, types of procurement and awardees.

Thank you for the opportunity to support HB2529HD1.

Contact: jalna.keala2@hawaiiantel.net

galuteria1 - Davis

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 13, 2012 9:13 AM
To: HWN Testimony
Cc: apohi21@gmail.com
Subject: Testimony for HB2529 on 3/14/2012 2:45:00 PM

Testimony for HWN/PGM 3/14/2012 2:45:00 PM HB2529

Conference room: 224
Testifier position: Oppose
Testifier will be present: No
Submitted by: Bill Brown
Organization: Aupuni O Hawai'i
E-mail: apohi21@gmail.com
Submitted on: 3/13/2012

Comments:

Aloha,

This measure will grant DHHL the ability to award contracts under \$250,000 dollars indiscriminately of their own choosing without the safety net like HRS chapter 103D. This could open potential law suits against the Trust which would affect the beneficiaries. We should not add more encumbrance for the native Hawaiians. Defer this measure. Thank you for the opportunity in testifying.

E Hawai'i au
Bill Brown
Aupuni O Hawai'i