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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
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TO THE
HOUSE COMMITTEE
ON
HUMAN SERVICES

February 9, 2012

8:30 AM

HB 2541

RELATING TO CONTRACT PROPOSALS FOR CHILD CARE.

Chair Mizuno, Vice-Chair Jordan, and committee members, thank you for the opportunity to testify on HB 2541. The bill amends section 103F-401.5(a) to allow acceptance of proposals from unlicensed child care providers.

The State Procurement Office supports this bill with amendments. In addition to the child care program, there are other programs that may be affected by the current statute, which restricts competition. We recommend the following amendments:

"(a) No contract [~~proposals~~] shall be [~~accepted from~~] performed by any applicant who lacks any license necessary to conduct the business being sought by the request for proposals [~~, with the exception of proposals from applicants to operate a child care program required to be licensed pursuant to section 346-161~~]."

An amendment to section 103F-401.5(b), Hawaii Revised Statutes, is also recommended for consistency and clarity:

(b) Proposals submitted under this chapter shall include all costs, fees, and taxes, and shall be the all inclusive cost to the state [~~any award or contract shall be for the amount of the proposal~~. No award or contract shall include any other payment, rebate, or direct or indirect consideration that is not included in the proposal, such as insurance premium or general excise tax rebates to or waivers for an applicant [~~or bidder~~].

Thank you.