

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2495
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Judiciary and Labor and Ways and Means, to which was referred S.B. No. 2495, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require every government procurement officer to attend initial training by the State Procurement Office within sixty days of being appointed or named to the position of procurement officer;
- (2) Require every government procurement officer or the officer's designee to attend follow-up training and development sessions, as determined by the State Procurement Office and, if unable to attend a follow-up or development session, receive written permission from the State Procurement Office in order to be excused from a session;
- (3) Require the State Procurement Office to conduct mandatory follow-up training and development sessions at regular intervals of at least once every twelve months;
- (4) Require the chief procurement officer, or the officer's designee, of each jurisdiction to annually submit, in the form and manner prescribed by the State Procurement Office, a list of the jurisdiction's procurement



officers and which procurement officers, if any, have failed to comply with training requirements; and

- (5) Prohibit procurement by a procurement officer who fails to submit the officer's name and evidence of training compliance to the State Procurement Office.

Your Committees received testimony in support of this measure from the State Procurement Office.

Your Committees find that a strong training program for the State's procurement officers is an essential component in the delivery of procurement knowledge and skills. Effective and efficient procurements will allow the State to develop a more proficient workforce of procurement professionals who expend public funds in a manner that is compliant with applicable statutes, rules, and policies.

Your Committees have heard testimony of the State Procurement Office that it will cost \$150,000 per annum to implement a full training program or \$25,600 per annum to implement a Learning Management System, which is a training database to assist the office in assessing the training needs of procurement officers, and it may be necessary to amend these estimates after collaborating with the Department of Human Resources Development.

Your Committees have amended this measure by:

- (1) Requiring every government procurement officer to attend initial training by the State Procurement Office prior to participating in or authorizing any procurement, rather than within sixty days of being appointed or named to the position of procurement officer;
- (2) Requiring the procurement workforce of any governmental body to attend follow-up training and development sessions, rather than just government procurement officers or their designees;
- (3) Making an appropriation to the State Procurement Office, effective July 1, 2016; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2495, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2495, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Labor and Ways and Means,



JILL N. TOKUDA, Chair

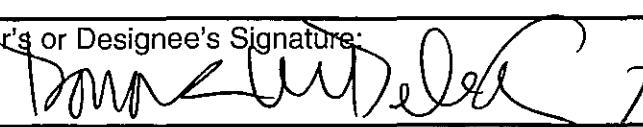


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2495, SD1	GVO/PSM, JDL/WAM	2/24/16		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	10			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes