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TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
GOVERNMENT OPERATIONS
February 13, 2018, 2:55 PM

SENATE BILL 2390
RELATING TO PROCUREMENT CODE OF ETHICS

Chair Kim, Vice Chair Ruderman and members of the committee, thank you for the opportunity to submit testimony on SB2390. The State Procurement Office (SPO) **supports** the intent of this bill which requires ethical public procurement and the procurement code of ethics established by the Procurement Policy Board apply to all parties to procurement contracts that are otherwise exempted from the procurement code.

In 2016, the Procurement Policy Board (PPB) amended HAR's Chapter 3-120 Exhibit A Procurements exempt from Chapter 103D HRS and Chapters 3-122- 4, Exempted items, to state that all public employees are responsible for adhering to remaining ethical considerations in public procurement. The SPO felt it necessary to add clarity in the HAR that regardless of being exempt from the Procurement Code, there are always ethical and contractual requirements and State employees still have conduct their due diligence, act responsibly and have no conflict of interest.

This bill will remind the public that State employees are still bound by ethical and contractual responsibilities, regardless of the exemption from the procurement process.

Thank you.

SB-2390

Submitted on: 2/5/2018 12:29:20 PM

Testimony for GVO on 2/13/2018 2:55:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Louise Storm		Support	No

Comments:

Can this apply to projects where state funds are involved, but the state is not the primary agent, e.g. the Honolulu rail project?

Louise Storm