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TESTIMONY  
OF  
BONNIE KAHAKUI, ACTING ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE  
ON  
CONSUMER PROTECTION & COMMERCE

MARCH 21, 2022, 2:00 PM

SENATE BILL 2387, SD1, HD1  
RELATING TO PROCUREMENT

Chair Johanson, Vice Chair Kitagawa, and members of the committee, thank you for the opportunity to submit testimony on Senate Bill 2387, SD1, HD1. The State Procurement Office (SPO) appreciates the intent of the bill and provides the following comments.

SB2387, SD1, HD1 proposes to add the following language to Hawaii Revised Statutes (HRS) §103D-308 - Cancellation of invitations for bids or requests for proposals:

"...The reasons therefor shall be made part of the contract file and be publicly posted, for a minimum of ten business days, on a purchasing agency's website or a provider's website and by any other method the procurement officer deems effective for publicizing the cancellation notice."

The SPO recommends revising the added language for clarity. In HRS §103F-102, "Provider" is defined as an organization or individual contracted by a state agency to provide health or human services to the public on its behalf. "Provider's website", as stated in the current language is incorrect and may be misconstrued as "contractor's website" or "a privately-owned website". In addition, the SPO believes that one public posting of the cancellation reason is sufficient.

Therefore, the SPO recommends the following changes:

"...The reasons therefor shall be made part of the contract file and be publicly posted, for a minimum of ten business days, on a purchasing agency's website or a ~~provider's website~~ **government electronic notification system** and ~~or~~ **and-or** by any other ~~method~~ **means** the procurement officer deems effective for publicizing the cancellation notice."

The Hawaii Public Procurement Code is the single source of public procurement policy to be applied equally and uniformly while providing fairness, open competition, a level playing field, government disclosure, and transparency in the procurement and contracting process vital to good government. Publicly posting the cancellation reason will promote transparency and efficiency in government.

Thank you.