



**STATE OF HAWAII  
STATE PROCUREMENT OFFICE**

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TESTIMONY  
OF  
BONNIE KAHAKUI, ACTING ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE  
ON  
GOVERNMENT REFORM  
MARCH 16, 2022, 9:00 AM

SENATE BILL 2387, SD1  
RELATING TO PROCUREMENT

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

SB2387, SD1 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 or provider internet site or by any other method the procurement officer deems effective for publicizing the cancellation notice."

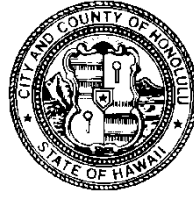
The SPO recommends revising the added language for clarity. In HRS §103F-102, "Provider" is defined as an organization or individual contracted by a state agency to provide health or human services to the public on its behalf. "Provider," as stated in the current language may be misconstrued as "contractor". 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 website, electronic notification system, or ~~provider internet site~~ 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.

RICK BLANGIARDI  
MAYOR



ANDREW T. KAWANO  
DIRECTOR

CARRIE CASTLE  
DEPUTY DIRECTOR

TESTIMONY OF ANDREW T. KAWANO  
DIRECTOR OF BUDGET AND FISCAL SERVICES  
CITY AND COUNTY OF HONOLULU  
BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM  
**March 16, 2022, 9:00 AM, Conference Room 309 and Videoconference**

TO: The Honorable Angus L.K. McKelvey, Chair  
and Members of the House Committee on Government Reform

RE: SUPPORT OF SENATE BILL 2387, SD1, RELATING TO PROCUREMENT

The Department of Budget and Fiscal Services, City and County of Honolulu (City), **supports** Senate Bill (SB) 2387, SD1, Relating to Procurement.

SB2387 was amended to reflect the City's previously requested change.

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

For the reason stated above, the City supports Senate Bill 2387, SD1.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget & Fiscal Services' Division of Purchasing at 808-768-5535 or [bfspurchasing@honolulu.gov](mailto:bfspurchasing@honolulu.gov).