SCR 106 SD 2

CONVENING A JOINT LEGISLATIVE TASK FORCE TO REVIEW AND MAKE RECOMMENDATIONS CONCERNING THE HAWAII PUBLIC PROCUREMENT CODE

Testimony Presented Before the House Committee on Legislative Management

April 22, 2005

by

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Vice President for Administration
University of Hawaii
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Recommendations Concerning the Hawaii Public Procurement Code

Chair Magaoay, Vice Chair Yamashita and Members of the Committee:

Thank you for this opportunity to testify on SCR 106 SD2, which would convene a joint
legislative task force to review and make recommendations concerning the Hawaii
public procurement code.

The University of Hawaii believes that the Legislature should restore the University's
authority to establish its own procurement policy. The University greatly appreciates the
support of the House of Representatives in passing HB 15 which would have restored
this authority. Unfortunately, this vital measure has not moved.

The University's authority to establish its own procurement policy was granted by the
Legislature in 1998, as part of the widely accepted movement to hold the University
more accountable for outcomes while giving it greater autonomy over its operations. The basis in public policy for this authority was strengthened even further in 2000 when
the Legislature passed and the people of Hawaii ratified a constitutional amendment
specifically to provide the University with the authority and power of self-governance
over its internal management and operations.

UH used this authority openly, responsibly and effectively to create a transparent
procurement environment that was, accessible, effective and efficient for vendors as
well as the University. In so doing the University improved its capacity to support the
educational, social and economic development needs of the entire State of Hawaii. The
untimely reversal in 2004 of this well-established public policy has already diverted
institutional resources from the University's core mission of teaching, research and
public service.

The University would be pleased to participate in a task force to improve the Hawaii
public procurement code, and we will gladly bring our improvements and experience to
the table to share with others for consideration.

But we respectfully urge the full Legislature to take action this session, consistent with
well-established public policy and the Constitution of the State of Hawaii, to restore the
University's authority to establish its own procurement policy.

We thank the House of Representative for their support this session of HB 15, and for
this opportunity to testify before you on SCR 106 SD2.