

Testimony Presented Before the
House Committee on
Economic Development and Business Concerns

January 31, 2005
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Vice President for Administration

HB 388 RELATING TO PROCUREMENT

Chair Herkes and members of the Committee:

The University of Hawaii opposes HB No. 388 which seeks to eliminate international outsourcing in the award of contracts by governmental bodies in the State of Hawai'i. Specifically, under this legislation, a new section would be added to Chapter 103D, Hawaii Revised Statutes, to provide that a governmental body within the State would be prohibited from awarding a contract to a vendor or bidder that would perform the work covered by the contract, or any portion thereof, at a site outside of the United States.

As part of its educational mission, the University of Hawai'i often conducts research in foreign countries, especially in the Pacific region. As part of this research, the University must necessarily purchase goods and services in foreign countries in support of the research operations based in these countries. In addition, even for research conducted within Hawai'i and other parts of the United States, the University often must purchase specialized scientific equipment and services which are only available from companies located in foreign countries.

HB No. 388, if approved, would significantly hinder the ability of the University to conduct research on a global basis and to utilize scientific equipment and services manufactured and offered within the international marketplace and which are vital to the world's scientific community. For these reasons, the University of Hawai'i opposes HB No. 388.

We appreciate being given the opportunity to submit testimony on this bill.