

Honolulu, Hawaii

Feb 15, 2008

RE: H.B. No. 2094
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Economic Development & Business Concerns,
to which was referred H.B. No. 2094 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this bill is to increase fairness and transparency in the solicitation and expenditure of funds by the State, by requiring that private funds solicited by a government body to cover the costs of a state-sponsored trip or other endeavor to generate business opportunities and goodwill shall be deposited into the general fund and disbursed by legislative appropriation.

Your Committee received testimony in opposition from the Department of Accounting and General Services, the Department of Business, Economic Development, and Tourism, and the High Technology Development Corporation.

Testimony indicates that the appropriation process in this bill may deter potential contributors, and the \$50,000 this bill appropriates to replace solicited private funds may be insufficient and negatively affect state-sponsored trade missions. However, your Committee also recognizes that there must be some oversight over the solicitation of funds for these trips. A balance needs to be struck between fairness and transparency in State procurement activities and the effectiveness of the State's trade missions.

HB2094 HD1 HSCR EDB HMS 2008-2083

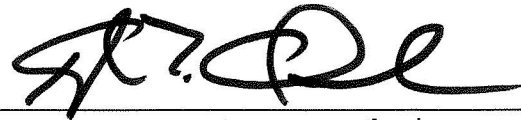


Your Committee respectfully requests that the Committee on Finance to which this bill is next referred, confer with the Department of Business, Economic Development, and Tourism to determine an appropriate amount to be appropriated.

Your Committee has amended this bill by changing its effective date to July 1, 2034, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2094, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2094, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business
Concerns,



KYLE T. YAMASHITA, Chair



Record of Votes of the Committee on Economic Development & Business Concerns

Bill/Resolution No.: HB 2094	Committee Referral: EDB, FIN	Date: 2/12/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	✓			
2. WAKAI, Glenn (VC)	✓			
3. BERG, Lyla B., Ph.D.	✓			
4. BROWER, Tom		✓		
5. CHANG, Jerry L.			✓	
6. HANOHANO, Faye P.		✓		
7. HERKES, Robert N.		✓		
8. MANAHAN, Joey	✓			
9. TSUJI, Clift	✓			
10. YAMANE, Ryan I.	✓			
11. CHING, Corinne W.L.				✓
12. MARUMOTO, Barbara C.			✓	
TOTAL (12)	6	3	2	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				