

SB2291

SD1

Written Statement of
YUKA NAGASHIMA
Executive Director & CEO
High Technology Development Corporation
before the
SENATE COMMITTEE ON JUDICIARY AND GOVERNMENT OPERATIONS
Tuesday, February 23, 2010
10:00 AM
State Capitol, Conference Room 016

In consideration of
SB 2291 SD1 RELATING TO ECONOMIC DEVELOPMENT.

Chair Taniguchi, Vice Chair Takamine, and Members of the Senate Committee on Judiciary and Government Operations.

The High Technology Development Corporation (HTDC) supports SB 2291 SD1 to expand the procurement preference for technology products and services by Hawaii businesses.

Local businesses in general are at a disadvantage in bids for procurement compared to mainland counterparts by the General Excise Tax (GET) factor, increasing their pricing by approximately 5%. This bill levels the playing field at least for technology products and services.

HTDC recognizes that providing preferences is not necessarily the ideal way to approach procurement, nor should the solutions be legislative in nature. However, if the State and the State Procurement Office are unable to or unwilling to take on a procurement procedure overhaul at this time, HTDC believes it is a band aid solution to make incremental changes, until a better streamlined system based on best value vs. least expensive choice, can benefit both the State and Hawaii's vendors.

One factor to keep in mind is that various types of preferences already exist in the State procurement code. The bill needs to take into account the ease of implementation and education to ensure that the bill, when it becomes law, be successfully exercised.

Thank you for the opportunity to submit testimony to support the intent of this bill.



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Written Statement of
Karl Fooks
President
Hawaii Strategic Development Corporation

Before the
SENATE COMMITTEE ON JUDICIARY AND GOVERNMENT OPERATIONS

February 23, 2010
10:00 AM
State Capitol, Conference Room 016

In consideration of

SB 2291 SD1 RELATING TO ECONOMIC DEVELOPMENT

Chair Taniguchi, Vice Chair Takamine and Members of the Committee:

HSDC supports this bill to use the State procurement preferences to support high technology businesses in Hawaii in a way that does not increase the procurement cost to the State.

Thank you for this opportunity to submit testimony.