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March 24, 2010

TO:

THE HONORABLE REPRESENTATIVE MARCUS R. OSHIRO, CHAIR AND

MEMBERS OF THE COMMITTEE ON FINANCE

SUBJECT:

S.B. 2831, SD1 RELATING TO PROCUREMENT CODE.

NOTICE OF HEARING

DATE:

Thursday, March 25, 2010

TIME:

10:00 A.M.

PLACE:

Conference Room 308

LATE TESTIMONY

Dear Chair and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and seventy (570) general contractors, subcontractors, and construction related firms, <u>strongly supports</u> the passage of S.B. 2831, SD1 Relating To The Procurement Code.

S.B. 2831, SD1 would amend a portion of Act 175, SLH, 2009 to make permanent the changes made to Section 103-32.1, HRS, by Act 175.

The Act 175 (2009) amendment to Section 103-32.1 edited subsection (e) (2) to eliminate a confusion concerning the procedure and amount of retainage that may be held by the state procurement officer. The GCA believes that the retainage procedure as amended by Act 175 of 2009 is working as intended and should be made permanent.

The GCA strongly supports the passage of S.B 2831, SD1 Relating To The Procurement Code.

Thank you for the opportunity to provide our views on this issue.

LINDA LINGLE

AARON S. FUJIOKA ADMINISTRATOR



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STATE OF HAWAII STATE PROCUREMENT OFFICE

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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE ON FINANCE

LATE TESTIMONY

March 25, 2010

10:00 AM

SB 2831, SD1

RELATING TO THE PROCUREMENT CODE.

Chair Oshiro, Vice Chair Lee, and committee members, thank you for the opportunity to testify on SB 2831, SD1.

The State Procurement Office supports the proposed bill amendment that will make the requirements of §103-32.1 permanent, as amended by Act 175, SLH 2009. The Act 175 amendment for contract provisions for subcontractor retainage deleted unnecessary language and clarified the requirement to provide written notice to subcontractor.

Thank you.