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TESTIMONY  
OF  
AARON S. FUJIOKA  
ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE  
HOUSE COMMITTEE  
ON  
ECONOMIC REVITALIZATION & BUSINESS

March 15, 2011

8:00 AM

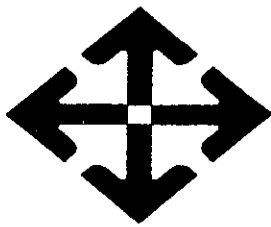
SB 758, SD 1

RELATING TO SMALL BUSINESS.

Chair McKelvey, Vice Chair Choy, and committee members, thank you for the opportunity to testify on SB 758, SD 1. This bill proposes to include small purchases procurement method limited to \$2,500 or greater by governing entities to be compliant with all laws related to doing business in the State, including those pertaining to labor laws for the department of labor and industrial relations, tax clearance from the department of taxation and the Internal Revenue Service and compliance with the Department of Commerce and Consumer Affairs. Offerors shall produce documents to the procuring officer to demonstrate compliance.

The State Procurement Office (SPO) supports this bill, however page 2, lines 8 to 10 needs correction to align with Act 175, SLH 2009 that temporarily raised the small purchase levels limited to less than \$100,000 for goods and services, and \$250,000 for construction. Page 2, lines 8 to 10 should be amended to read as, "Under current law, vendors must provide proof of compliance in order to receive a contract greater than \$15,000 for goods and services \$100,000 or more, and for construction contracts \$250,000 or more, with state and county government entities in Hawaii" or delete lines 8 to 10 in its entirety.

If the committee believes this bill is in the best interest of the State, the SPO requests that the implementation date for this bill be delayed to October 1, 2011 to allow ample notification to the purchasing agencies that would be required to implement and the business community required to be in compliance, rather than "shall take effect upon its approval". Thank you.



# The Hawaii Business League

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March 15, 2011

Testimony To: House Committee on Economic Revitalization & Business  
Representative Angus L.K. McKelvey, Chair

Presented By: Tim Lyons  
President

Subject: S.B. 758, SD 1 – RELATING TO SMALL BUSINESS

Chair McKelvey and Members of the Committee:

I am Tim Lyons, President of the Hawaii Business League, a small business service organization. We support this bill.

We know from our members that are in the construction sector that the Hawaii compliance express has worked very well for those vendors. It has expedited the award process and we find that is a positive thing for both the vendor and for the state or county.

It is based on that then that we can support this effort and the use of the Hawaii compliance express.

Thank you.