### A BILL FOR AN ACT

RELATING TO NATIVE HAWAIIAN BUSINESSES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	Part I.
2	SECTION 1. Chapter 103D, Hawaii Revised Statutes, is
3	amended by adding a new section to be appropriately designated
4	and to read as follows:
5	"§103D- Native Hawaiian businesses; preference. (a)
6	In any expenditure of public funds for services to be provided
7	by business, a five per cent bid preference shall be given to
8	native Hawaiian businesses that are certified by the office of
9	Hawaiian affairs.
10	(b) The office of Hawaiian affairs shall establish
11	criteria to qualify for the preference established pursuant to
12	this section and annually certify such businesses; provided that
13	the criteria shall not allow certification of businesses that
14	are less than per cent owned by native Hawaiians or
15	Hawaiians. The office of Hawaiian affairs may require a higher
16	percentage of ownership to qualify for certification.
17	(c) The office of Hawaiian affairs may charge a fee to the
18	business for the processing of the certification.
	HB LRB 12-0374.doc

# H.B. NO. 2090

1	<u>(d)</u>	All certified native Hawaiian businesses shall notify
2	the offic	e of Hawaiian affairs within ten business days when
3	there is	a change in ownership and shall reapply for
4	certifica	tion."
5		Part II.
6	SECT	ION 2. Section 226-6, Hawaii Revised Statutes, is
7	amended b	y amending subsection (b) to read as follows:
8	"(b)	To achieve the general economic objectives, it shall
9	be the po	licy of this State to:
10	(1)	Expand Hawaii's national and international marketing,
11		communication, and organizational ties, to increase
12		the State's capacity to adjust to and capitalize upon
13		economic changes and opportunities occurring outside
14		the State.
15	(2)	Promote Hawaii as an attractive market for
16		environmentally and socially sound investment
17		activities that benefit Hawaii's people.
18	(3)	Seek broader outlets for new or expanded Hawaii
19		business investments.
20	(4)	Expand existing markets and penetrate new markets for

Hawaii's products and services.

21

1	(5)	Assure that the basic economic needs of Hawaii's
2		people are maintained in the event of disruptions in
3		overseas transportation.

- (6) Strive to achieve a level of construction activity responsive to, and consistent with, state growth objectives.
- (7) Encourage the formation of cooperatives and other favorable marketing arrangements at the local or regional level to assist Hawaii's small scale producers, manufacturers, and distributors.
  - (8) Encourage labor-intensive activities that are economically satisfying and which offer opportunities for upward mobility.
- (9) Foster greater cooperation and coordination between the government and private sectors in developing

  Hawaii's employment and economic growth opportunities.
- (10) Stimulate the development and expansion of economic activities which will benefit areas with substantial or expected employment problems.
- (11) Maintain acceptable working conditions and standardsfor Hawaii's workers.

1

12

2		segments of Hawaii's population through affirmative
3		action and nondiscrimination measures.
4	(13)	Stimulate the development and expansion of economic
5		activities capitalizing on defense, dual-use, and
6		science and technology assets, particularly on the
7		neighbor islands where employment opportunities may be
8		limited.
9	(14)	Encourage businesses that have favorable financial
10		multiplier effects within Hawaii's economy,
11		particularly with respect to emerging industries in

(12) Provide equal employment opportunities for all

13 (15) Promote and protect intangible resources in Hawaii,
14 such as scenic beauty and the aloha spirit, which are
15 vital to a healthy economy.

science and technology.

16 (16) Increase effective communication between the
17 educational community and the private sector to
18 develop relevant curricula and training programs to
19 meet future employment needs in general, and
20 requirements of new, potential growth industries in
21 particular.

### H.B. NO. 2090

1 (17)Foster a business climate in Hawaii--including 2 attitudes, tax and regulatory policies, and financial 3 and technical assistance programs -- that is conducive 4 to the expansion of existing enterprises and the 5 creation and attraction of new business and industry. 6 Foster the development and growth of native Hawaiian-(18) 7 owned businesses." 8 Part III. SECTION 3. This Act does not affect rights and duties that 9 10 matured, penalties that were incurred, and proceedings that were 11 begun before its effective date. 12 SECTION 4. New statutory material is underscored. 13 SECTION 5. This Act shall take effect upon its approval. 14 tekeduma INTRODUCED BY:

HB LRB 12-0374.doc

JAN 1 9 2012

Tou Damin

## H.B. NO. 2090

#### Report Title:

Native Hawaiian Businesses Procurement Bid Incentive

#### Description:

Fosters the development and growth of native Hawaiian-owned businesses. Provides 5% bid preference for native Hawaiian businesses certified by OHA. Requires immediate notification to OHA of ownership change and reapplication.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.