

STAND. COM. REP. NO. 224 -12

Honolulu, Hawaii

Feb 9, 2012

RE: H.B. No. 2318
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Public Safety & Military Affairs, to which was referred H.B. No. 2318 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to require the procurement policy board to adopt rules for procurement preferences for Hawaii small business, and businesses owned by veterans and disabled veterans.

The State of Hawaii Department of Defense testified supporting the intent of this measure. The City and County of Honolulu testified in opposition to this measure. The Military Officers Association of America, Hawaii Chapter, and Heavenly Hawaiian Farms provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the definition of "Hawaii small business" includes a workforce of fewer than 50 employees;
- (2) Changing the term "disabled veteran" to "service-disabled veteran" for consistency with federal law and programs;

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- (3) Clarifying the agencies that can verify a veteran's status;
- (4) Defining "service-disabled veteran" to be consistent with federal law;
- (5) Changing the effective date to July 1, 2030, to promote further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2318, H.D. 1, and be referred to the Committee on Economic Revitalization & Business.

Respectfully submitted on
behalf of the members of the
Committee on Public Safety &
Military Affairs,


HENRY J. C. AQUINO, Chair



