

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 2318
H.D. 2

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

Sir:

Your Committee on Economic Revitalization & Business, to which was referred H.B. No. 2318, H.D. 1, 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 that include a five percent preference for small businesses, a seven percent preference for veteran-owned businesses, and a nine percent preference for service-disabled veteran-owned businesses.

Military Officers Association of America and the Oahu Veterans Council testified in support of this measure. The Department of Budget and Fiscal Services of the City and County of Honolulu testified in opposition to this measure. The General Contractors Association provided comments on this measure.

Your Committee has amended this measure by:

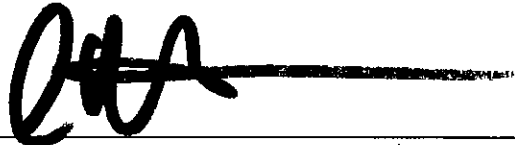
- (1) Authorizing the Chief Procurement Officer to establish the goal that at least three percent of the State's annual purchasing expenditures are awarded to veteran-owned businesses;
- (2) Adding a definition for "veteran-owned business" and "service-disabled veteran-owned business";



- (3) Changing the effective date to July 1, 2112, for the purposes of facilitating further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2318, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization & Business,



ANGUS L.K. MCKELVEY, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR 565-12

Record of Votes of the Committee on Economic Revitalization & Business

Bill/Resolution No.:	HSCR HB 2318 HDI 224-12	Committee Referral:	Date:	
		PBM, ERB, FIN	2/14/12	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. AWANA, Karen L.	✓			
4. BROWER, Tom	✓			
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.	✓			
7. NISHIMOTO, Scott Y.	✓			
8. TOKIOKA, James Kunane	✓			
9. TSUJI, Clift	✓			
10. MARUMOTO, Barbara C.	✓			
11. PINE, Kymberly Marcos				/
TOTAL (11)	10	—	—	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				