

Dave Ige, Chair
Committee on Ways and Means
State Senate
State Capitol
415 S. Beretania Street
Honolulu, Hawaii 96813

Date: March 28, 2012
Time: 9:35 a.m.
Place: Conference Room 211, State Capitol

Dear Honorable Chair Ige and Members of the Committee on Ways and Means:

Re: Opposition for HB2265 – Relating to State Procurement Code

The purpose of this bill is to allow amendments made to section 103D-305, Hawaii Revised Statutes to become permanent.

We believe that this will adversely affect our subcontractors. Our subcontractors feel that the small purchase provisions which escaped the provisions of the procurement code for projects under \$250,000.00 has been working relatively well. There have been a few problems but the benefits outweigh the problems.

We oppose to any movement in this area to take the small purchase provision up to \$1,000,000.00 and not to allow the listing of subcontractors under this bill.

Thank you for your time and consideration.



Testimony to Senate Committee on Ways and Means

Wednesday, March 28, 2012

9:35 a.m.

Capitol Room 211

REH.B. 2265 HD2 SD1, Relating to the State Procurement Code

Good morning Chair Ige, Vice-Chair Kidani, and members of the Committee:

My name is Gladys Quinto Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, BIA-Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii **supports** H.B. 2265 HD2 SD1. This bill will make permanent the amendments made to Section 103D-305, Hawaii Revised Statutes, which will increase the limits on procurements that fall under small purchase procedures to \$100,000 for goods and services and \$250,000 for construction. The bill would also require performance bonds for procurements more than \$50,000, and require procurements of \$25,000 to less than \$100,000 to be made in accordance with small purchase procedures.

BIA-Hawaii applauds the legislature's recognition of the effectiveness of the electronic procurement system and the efficiencies it presents, especially on smaller purchase procurements. This measure will address any concerns parties may have with discretionary advisements and allows the electronic bidding system to regulate itself.

BIA-Hawaii supports the passage of H.B. 2265, HD2, SD1.

Thank you for the opportunity to express to you our views.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: info@hawaiibuildingtrades.org
Subject: Testimony for HB2265 on 3/28/2012 9:35:00 AM
Date: Tuesday, March 27, 2012 7:45:36 PM

Testimony for WAM 3/28/2012 9:35:00 AM HB2265

Conference room: 211
Testifier position: Oppose
Testifier will be present: Yes
Submitted by: KIKA G BUKOSKI
Organization: HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL
E-mail: info@hawaiibuildingtrades.org
Submitted on: 3/27/2012

Comments:

On behalf of the approximate 20,000 members the Hawaii Building and Construction Trades Council represents statewide, we strongly oppose HB2265, HD2, SD1 which proposes to make permanent, the amendments made to section 103D-305, Hawaii Revised Statutes, that increase the limits on procurements qualifying for certain small purchase procedures to \$100,000 for goods or services and \$250,000 for construction; require procurements greater than \$50,000 for construction to require performance bonds; and require procurements of \$25,000 to less than \$100,000 to be made in accordance with small purchase procedures.

This measure will adversely impact members of the Council. Proponents of this measure claim it will improve and streamline the procurement process, but in practice it will only weaken the current procurement processes in place that ensure fair and equitable use of public funds as it creates unfair advantages for certain segments of the construction industry.

We respectfully urge the Chair, Vice Chair and Members of the Committee on Ways and Means to HOLD this bill in committee.

Mahalo for this opportunity to provide testimony in STRONG OPPOSITION to this measure.

Kika G. Bukoski
Hawaii Building and Construction Trades Council