

BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

Testimony to House Committee on Economic Revitalization and Business

Thursday, March 15, 2012

9:45 a.m.

Capitol Room 312

RE: S.B. 2030 SD2, Relating to Procurement

Dear Chair McKelvey, Vice-Chair Choy, and members of the Committee:

My name is Gladys 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** S.B. 2030 SD2, relating to procurement.

S.B. 2030 SD2 would alleviate many of the problems associated with the subcontractor listing requirement on public works construction projects.

This bill provides that the chief procurement officer or head of a purchasing agency may allow the scope of work for a listed subcontractor, with certain conditions, to be expanded after bid opening. This measure will also permit a previously licensed and listed subcontractor whose license was suspended or forfeited at bid time to have their license reinstated before award.

This bill will reduce the number of potential bid protests relating to clarifications and interpretations of scope of work issues and allow a previously licensed subcontractor time to have their license reinstated before disqualifying the bid.

For the foregoing reasons, BIA-Hawaii **supports** S.B. 2030 SD2 and recommends that no changes be made.

SMCA *Sheet Metal Contractors Association*

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NEAL K. ARITA
Executive Director

**TESTIMONY TO THE HOUSE OF REPRESENTATIVES
COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS**

THURSDAY, MARCH 15, 2012

9:45 A.M.

Conference Room 312

Hawaii State Capitol

Re: SB2030, SD2

Dear Chair McKelvey, Vice Chair Choy and members of the Committee:

The Sheet Metal Contractors Association represents Sub-contractors of the Sheet Metal Industry.

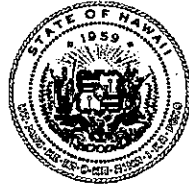
We currently stand OPPOSED to the current SB2030, SD2 as-is; **however**, we have seen a draft of SB2030, SD1, Proposed HD1 and will SUPPORT this proposed version, as it clarifies the intent of the bill.

HB2265, HD2 in its current form (as-is), and any changes that the House may make to broaden the criteria or lengthen the time for clarifications that may give a bidding General Contractor advantages and bid shopping opportunities will result in our strong OPPOSITION.

Again, we ask that you support our stand to OPPOSE this bill as-is.

Sincerely,

Neal Arita
Executive Director
Sheet Metal Contractors Association



LATE TESTIMONY

GLENN M. OKIMOTO
DIRECTOR

Deputy Directors
JADE T. BUTAY
FORD N. FUCHIGAMI
RANDY GRUNE
JADINE URASAKI

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 15, 2012

S.B. 2030, S.D. 2 RELATING TO PROCUREMENT

HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS

The Department of Transportation (DOT) opposes SB 2030, SD2. This bill would allow bidders an extra two days to submit additional joint contractors, subcontractors or to remove unlicensed joint contractors or subcontractors. It would permit bidders to negotiate with subcontractors for lower prices, thus circumventing the bid shopping laws already in place. Therefore, this bill would ultimately create a system for bid shopping.

Although this bill tries to assist bidders in correcting honest mistakes in their subcontractor list, in reality, bidders would not know of their mistakes until after the two day period is over when the sealed bids are opened. Again, we strongly feel this bill will generate a system for bid shopping, which creates an unhealthy business environment, eliminates the benefits of the bid system and promotes lower standards of quality performance.

Thank you for the opportunity to provide testimony.

