



Testimony to the House Committee on Finance
Friday, April 20, 2012 at 3:00 p.m.
Agenda #1
Conference Room 211, State Capitol

LATE

RE: SCR 40, SD1 RELATING TO GOVERNMENT CONTRACTING TASK FORCE

Chair Ige, Vice Chair Kidani, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") supports SCR 40 SD1 relating to the Government Contracting Task Force.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

SCR 40 SD1 renames the Prompt Payment Task Force to the Government Contracting Task Force, extends the deadline for reporting by the task force to December 2012, and adds the State Chief Information Officer and a representative from the Chamber of Commerce of Hawaii to the task force.

A recent nationwide Nonprofit State of the Sector study conducted by the California-based Nonprofit Finance Fund showed that those who received state or local funding experienced late payments by government.

The task force met in 2011 in an attempt to understand the problems arising from the prompt government contract payments to predominantly nonprofit and human service providers. Due to the complexity of the issue and the fact that delayed payments are symptoms of larger systematic challenges, the task force requires more time to define and understand the scope of the issue and to find solutions agreeable to all parties. The Chamber was part of this task force.

The Chamber supports adding a representative from The Chamber so that we continue to be part of the discussion on the higher systematic issues of contracting and payment processes, communication, technology, accountability, transparency, education and training, and capacity of our nonprofit providers, and to help come up with recommendations.

For these reasons, the Chamber support SCR 40 SD1 relating to the Government Contracting Task Force. Thank you for the opportunity to testify.