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TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEE
ON
WAYS AND MEANS
April 5, 2019, 10:15 A.M.

HB1188 HD 2 SD 1
RELATING TO STATE PROCUREMENT OFFICE

Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee, thank you for the opportunity to submit testimony on HB1188 HD2 SD1. The State Procurement Office (SPO) strongly supports the bill which provides appropriations of general revenues for fiscal year 2019-2020 to continue the small business assistance initiative established by Act 42, Session Laws of Hawaii 2017.

Act 42, SLH 2017, established, within the State Procurement Office, a three-year small business initiative to facilitate the collection and development of relevant data and information and convene stakeholders for the development of an effective small business program, including the development of Rules.

SPO was appropriated \$200,000 in late CY 2018 for only the first year of the three-year program. The SPO partnered with Solutions Pacific (SP), whose Year 1 mission is to develop an awareness campaign, conduct market analysis, increase awareness, outreach and active engagement in the small business target and promotion of a Small Business Office. In November 2018, the SPO launched the Small Business Database, a module of the Hawaii Awards and Notices Database System (HANDS).

Funding for Year 2 will allow SPO and SP to continue working to expand awareness, training and workshop campaigns and recommendations for implementable rules and automatic goal statistics to be developed through the partnership of the Small Business Advisory Group, the Small Business Office, the SPO Administrator and procurement policy board.

Year 2 of the program is critical to the success of the small business assistance program. Development of effective rules will set the ground work for a small business set-aside program

and basis for training, workshop campaigns, and an implementation program. Appropriation of \$200,000 for FY 2019-2020 will allow the SPO to continuing working towards the goal to ensure that small businesses are able to effectively participate in contracting opportunities.

Thank you.