PLUMBING & MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

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February 3, 2009

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GREGG S. SERIKAKU



Senator Jill N. Tokuda, Chair Committee on Higher Education The Senate The Twenty-Fifth Legislature, Regular Session of 2009 State Capitol Honolulu, HI 96813

Chair Tokuda, Vice Chair Sakamoto and Members of the Committee:

SUBJECT: S.B. 505 Relating to the University of Hawaii

My name is Gregg Serikaku. I am the Executive Director of the Plumbing and Mechanical Contractors Association of Hawaii.

The Association for which I speak is opposed to S.B. 505, which exempts the University of Hawaii from the current procurement rules of Chapter 103-D of the Hawaii Revised Statutes.

We believe that Chapter 103-D provides an effective method for the procurement of goods, services and construction, and helps to protect public funds from abuse and waste. In fact, Chapter 103-D was specifically enacted to create a fair and open procurement procedure that eliminates favoritism, ensures competitive bids, and prevents those contractors who do not have the required licenses, tax clearances, insurance coverage, etc., from bidding on public projects, all of which potentially saves thousands in tax payer money.

Furthermore, the creation of separate procurement procedures for different entities will generate confusion among potential contractors and will certainly lead to hours of lost time and efficiency.

Lastly, the actual process of developing a separate procurement procedures will undoubtedly cost the state additional funds that may not be prudent during these economic times.

We therefore respectfully urge the committee to hold this bill.

Thank you very much for this opportunity to testify.

Respectfully yours,

Gregg S. Serikaku **Executive Director**