SB2831



February 22, 2010

To:

The Honorable Senator Brian T. Taniguchi, Chair and Members of the

Committee on Judiciary and Government Operations

Subject

SB 2831 Relating to the Procurement Code

Hearing Date & Time - February 23, 2010 at 9:30 A.M.

Conference Room 016 Testimony in **Support**

Dear Chair Taniguchi and Members of the Committee:

My name is Glenn Nohara and I am the president of Koga Engineering & Construction, Inc. We have been in business in Hawaii since 1973 and employ over 80 people. We support SB 2831, Relating to the Procurement Code.

This measure would make permanent the provisions of Section 8 of Act 175 (2009) relating to HRS 103-32.1 Contract provisions for retainage; subcontractors. This section of Act 175 clarified the retention amounts that can be withheld from subcontractors on a public works project and the conditions in which the procurement officer can withhold part or all of the subcontractor's payment request. Section 8 of Act 175 clarified the intent of the modifications made to HRS 103-32.1 in 2008.

We <u>strongly support</u> SB 2831 and respectfully ask that the bill be passed out of the committee.

Thank you for the opportunity to testify.

-M. Mohara

Sincerely,

Glenn M. Nohara

President