STAND. COM. REP. NO. 2112

Honolulu, Hawaii

FEB 1 3 2012

RE: S.B. No. 2582

S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committee on Public Safety, Government Operations, and Military Affairs, to which was referred S.B. No. 2582 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to require that of the twenty percent set aside of the State's annual purchasing expenditure to small business, a combined total of not less than three percent shall be awarded to veteran-owned small businesses and service-disabled veteran-owned small businesses.

Your Committee received testimony in support of this measure from the Vietnam Veterans Post 10583 of the Veterans of Foreign Wars; General Contractors Association of Hawaii; Military Officers Association of America, Hawaii Chapter; and Oahu Veterans Center.

Your Committee recognizes that much sacrifice and hardship was endured by the veterans who served in the armed forces and supports efforts to rehabilitate and reintegrate them into society as productive and hard working individuals. Your Committee believes that this measure is a fitting and proper recognition of the men and women of our country who have gone to war to fight for and to protect our freedoms, as well as to combat tyranny and oppression of peoples throughout the world.

Your Committee has amended this measure by:



- (1) Clarifying that the veteran-owned small businesses and service-disabled veteran-owned small businesses subject to this measure shall have fifty or fewer employees, to be verified annually by the chief procurement officer; and
- (2) Changing the effective date to January 1, 2020, to allow for further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety, Government Operations, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2582, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2582, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Public Safety, Government Operations, and Military Affairs,

WILL ESPERO. Chair

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Public Safety, Government Operations, and Military Affairs PGM

Bill / Resolution No.:*	Committee Referral: Date:				
SB 2582	PGM, WAN		1 A	2-7-12	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)					
KIDANI, Michelle N. (VC)					-
BAKER, Rosalyn H.					
RYAN, Pohai					
SLOM, Sam					
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TOTAL		4	0	0	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature: Sudani					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes