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March 20, 2012

TO: HONORABLE SENATORS DAVID IGE, CHAIR, MICHELLE KIDANI,

VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON WAYS

**AND MEANS** 

SUBJECT: SUPPORT OF H.B. 2411, PROPOSED HD1, RELATING TO CAPITAL

**IMPROVEMENTS.** Expressly authorizes the use of capital improvement project appropriations and revenue bond proceeds for contracting costs.

Effective July 1, 2012. (HB2411 HD1)

## **HEARING**

DATE: Tuesday, March 20, 2012

TIME: 9:00 AM

PLACE: Conference Room 211

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

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80<sup>th</sup> anniversary this year; GCA remains the largest construction association in the State of Hawaii whose mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest. GCA is in **support** of H.B. 2411, HD1, Relating to Capital Improvements, provided the state's overall budget and fiscal policy is not unduly compromised.

H.B. 2411, HD1 bill would expressly authorize the use of capital improvement project appropriations and revenue bond proceeds for contracting costs. The purpose of this Act is to authorize the use of capital improvement project appropriations, including bond fund appropriations, for contracting activities for these projects. The legislature finds that the provisions of this Act will stimulate the economy and create jobs by accelerating the construction of capital improvement projects.

This measure adds a new definition of contracting as follows: "Contracting means the procurement, preparation, negotiation, execution, amendment, or enforcement of contracts for the commencement, implementation, construction, or acquisition of a capital improvement project or any phase of a capital improvement project."

GCA believes this measure accelerate the processing of public works projects and have an overall positive effect on the economy. GCA supports the enactment of the H.B. 2411, HD1.

For the abovementioned reasons, we support this measure and request that this Committee pass the measure.

Thank you for the opportunity to present our views on this bill.