Hawaii Operating Engineers Stabilization Fund 1075 Opakapaka Street Kapolei, HI 96707

February 26, 2016

Honorable Jill Tokuda Chair Senate Committee on Ways and Means Hawaii State Capitol, Room 207 Honolulu, Hawaii 96813

SUBJECT: SUPPORT OF S.B. 3092, SD1, RELATING TO PROCUREMENT. HEARING: FRIDAY, FEBRUARY 26, 2016 AT 9:45 A.M. Authorizes procurement officers to consider a previously licensed and listed subcontractor's license as valid; provided that certain conditions are satisfied. Requires subcontractors to submit a time stamped offer to a contractor two hours before the established bid deadline; provided that a subcontractor who does not comply with the two hour requirement is disqualified from consideration. (SD1)

Dear Chair Tokuda,

Thank you for scheduling S.B. 3092, SD1 for hearing today.

The proponents of this measure are continuing to work on this measure and we respectfully request that this Committee pass this measure to allow the parties to continue working on the language that would best address how to improve the procurement of public works construction.

The subcontractor listing requirement in Hawaii's procurement code has continued to be an area of concern due to bid protests, delays and other issues that have caused issues with public works construction. This measure is working toward addressing issues related to the subcontractor listing and the award of contracts to the non-low bidder,

There are amendments being proposed that would address some of these concerns particularly with the submission of the subcontractor listing and the parties are continuing to work toward this resolution.

Hawaii Operating Engineers Stabilization Fund respectfully request your Committee pass this measure to allow the parties to continue working on this measure. Thank you for your consideration.

With best regards,

John R. Monis

John R. Monis Executive Director