STAND. COM. REP. NO. 1329-26

Honolulu, Hawaii

MAR 24, 2026

RE: S.B. No. 2928
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred S.B. No. 2928, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to:

(1) Establish the Small Business Procurement Program and establish and appropriate funds for Small Business Procurement Coordinator position permanently in the State Procurement Office; and

(2) Repeal the Small Business Assistance Initiative established in Act 168, Session Laws of Hawaii 2022.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services; Business Development and Support Division of the Department of Business, Economic Development, and Tourism; State Procurement Office; Wahiawā Value-Added Product Development Center; Retail Merchants of Hawai‘i; Native Hawaiian Community Development Corporation; Hello Momentum; Legacy Visuals, LLC; Kapolei Chamber of Commerce; Chamber of Commerce Hawaii; Maui Chamber of Commerce; Hawai‘i Farm

Bureau; CivicNexus; Pacific Resource Partnership; and two individuals.

Your Committee finds that small businesses are the foundation of Hawaii's economy and that the State should be taking a more active role in supporting small business growth, particularly through the procurement process. Your Committee further finds that Act 168, Session Laws of Hawaii 2022, established a five-year small business assistance initiative within the State Procurement Office to identify, quantify, and address the needs of small businesses and measure and track their participation in state small business contracts. Your Committee recognizes that this initiative has been successful by establishing a database and website to provide training and resources in assisting small businesses navigate state contracts. This measure seeks to expand the small business assistance initiative into a permanent procurement program, supported by a Small Business Coordinator position.

Your Committee has amended this measure by:

(1) Changing the effective date to July 1, 3000, to encourage further discussion; and

(2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2928, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2928, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,
Development & Technology,

GREGGOR ILAGAN, Chair

State of Hawaii
House of Representatives
The Thirty-third Legislature

HSCR 1329-26

Record of Votes of the Committee on Economic Development & Technology

Bill/Resolution No.:	Committee Referral:	Date:
SB 2928 SD1	ECD, FIN	3/20/26

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☐ Pass, unamended (as is) ☑ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. ILAGAN, Greggor (C)	✓			
2. HUSSEY, Ikaika (VC)	✓			
~~3. HOLT, Daniel~~				
4. TAM, Adrian K.	✓			
5. TEMPLO, Shirley Ann	✓			
6. YAMASHITA, Kyle T.	✓			
7. GEDEON, Joe	✓			
TOTAL ~~(7)~~ (6)	6	—	—	—

The recommendation is: ☑ Adopted ☐ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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