

Honolulu, Hawaii

MAR 23 2012

RE: H.B. No. 2302
H.D. 2
S.D. 1

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

Sir:

Your Committees on Human Services and Judiciary and Labor, to which was referred H.B. No. 2302, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Temporarily exempt from the state and county civil service, for any county with a population over 500,000:
 - (A) Persons hired or contracted to repair and maintain vacant housing units under the jurisdiction of the county, Hawaii Public Housing Authority, or Hawaii Housing Finance and Development Corporation; and
 - (B) Persons hired or contracted to perform planning, design, engineering, or permit processing work for state or county capital improvement projects; and
- (2) Appropriate an unspecified dollar amount out of general obligation bond revenues to the Hawaii Public Housing Authority for renovating uninhabitable public housing units.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority of the Department of Human Services, Office of Hawaiian Affairs, Catholic Charities



Hawai'i, Partners in Care, and one individual. Your Committees received testimony in opposition to this measure from the American Council of Engineering Companies of Hawaii; American Institute of Architects; Hawaii Government Employees Association; and United Public Workers, AFSCME, Local 646, AFL-CIO. Your Committees received comments on this measure from Building Industry Association of Hawaii.

Your Committees find Hawaii is in great need of affordable housing. The long waiting list for a public housing unit is due in part to the insufficient number of public housing units and the uninhabitable conditions of existing public housing units. This measure would enable the quick and efficient expenditure of capital improvement program funds allocated in the current biennium budget.

Your Committees also find that this measure, as currently drafted, exempts from state and county civil service, persons hired or contracted to perform planning, design, engineering, or permit processing for state or county capital improvement projects. This exemption is too broad as it applies to all capital improvement projects. Professional and privately owned firms that are contracted to do capital improvement projects are already exempt from civil service. This exemption would result in persons being hired in a manner that would circumvent well-established, open, and transparent processes for the procurement of professional services.

Your Committees expressed their concerns regarding privatizing government work in statute and believe the idea of privatization should be addressed holistically rather than through legislation. Your Committees therefore request the American Council of Engineering Companies of Hawaii; American Institute of Architects; Hawaii Government Employees Association; and United Public Workers, AFSCME, Local 646, AFL-CIO, to assist the Hawaii Public Housing Authority in developing initiatives to accelerate renovation projects of public housing units.

Your Committees also request the Senate Committee on Ways and Means to designate that the general obligation bond revenues appropriated to the Hawaii Public Housing Authority to renovate public housing units as indicated in this measure also be used for the planning, design, and program management of public housing projects.

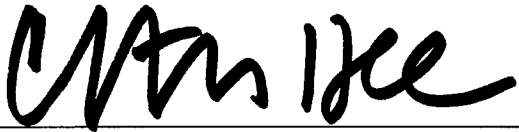


Your Committees have therefore amended this measure by:

- (1) Deleting part I and the language that provided temporary exemptions from state and county civil service; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2302, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2302, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Judiciary and Labor,



CLAYTON HEE, Chair

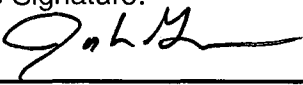


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2302, HD2	HMS/JDL, WAM	3/22/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)				✓
GREEN, M.D., Josh	✓			
SLOM, Sam	✓			
TOTAL	3	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2302 , HD 2	HMS / JDL, WAM	3/22/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile (VC)	✓			
GABBARD, Mike	✓			
IHARA, Jr., Les				✓
SLOM, Sam				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: _____				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes