

NEIL ABERCROMBIE  
GOVERNOR



DEAN H. SEKI  
Acting Comptroller

JAN S. GOUVEIA  
Deputy Comptroller

STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
AND GENERAL SERVICES  
P.O. BOX 119  
HONOLULU, HAWAII 96810-0119

TESTIMONY  
OF  
DEAN H. SEKI, ACTING COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEE  
ON  
FINANCE  
ON  
February 28, 2012

H.B. 2411, PROPOSED H.D. 1

RELATING TO CAPITAL IMPROVEMENTS

Chair Oshiro and members of the Committee, thank you for the opportunity to testify on H.B. 2411, Proposed H.D. 1.

The Department of Accounting and General Services (DAGS) supports the intent of H.B. 2411, Proposed H.D. 1, provided its passage does not replace or adversely impact priorities indicated in the Executive Budget.

The Proposed H.D. 1 will accelerate the commencement of capital improvement program (CIP) construction projects. Accordingly, the \$2,000,000 in FY 2012-2013 CIP funds to be appropriated to DAGS for this purpose should be for: "AGS-221, Lump Sum CIP- Advance Planning, Statewide."

To help expedite the implementation of this bill, DAGS requests that language be included to identify DAGS as the expending agency for agencies that will use DAGS to implement their planning, design, construction, and equipment projects. For agencies that will only use DAGS for a portion of the total appropriation, we request that DAGS be the expending agency for the portion that will be implemented by DAGS.

Thank you for the opportunity to testify on this matter.



# **UNIVERSITY OF HAWAII SYSTEM**

## **Legislative Testimony**

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Testimony Presented Before the  
House Committee on Finance  
February 28, 2012 at 11:00am

by

Brian Minaai

Associate Vice President for Capital Improvements, University of Hawai'i

HB 2411 Proposed HD1 – Relating to Capital Improvements

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Thank you for the opportunity to testify in support of the intent of HB 2411 Proposed HD1. This measure makes appropriations from general obligation bonds and certain special funds for the planning and design of future construction projects. It expressly authorizes the use of capital improvement project appropriations and revenue bond proceeds for contracting costs.

The University appreciates the support that the Legislature has given to us however would respectfully request that in section 4 of this bill, general obligation bonds instead of special funds be used for planning and design of future construction projects and to expedite the planning and implementation of construction projects for the University of Hawai'i.

Thank you again for the opportunity to submit testimony on this measure.



**Testimony to the House Committee on Finance  
February 28, 2012  
11:00 a.m.  
State Capitol - Conference Room 308  
Agenda #2**

**RE: HOUSE BILL NO. 2411 HD 1 CAPITAL IMPROVEMENTS**

Chair Oshiro, Vice Chair Lee, and members of the committees:

The Chamber of Commerce of Hawaii strongly supports H.B. 2411, HD 1. The bill proposes to appropriate moneys to accelerate the commencement of capital improvements construction. The legislature finds that this part is necessary to promote economic recovery and job creation. The legislature further finds that the appropriations made by this part are reasonable for the short term and reflective of an immediate high priority need of the State.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

We fully support the efforts of the Legislature to assist with the implementation of CIP funded projects in order to help stabilize the economy.

Toward this end, we respectfully suggest that some additional language be added to the bill that will allow agencies hire private entities to assist with managing and processing the funded CIP projects. This will allow the funded projects to be processed by the agency with supplemental assistance from the private sector, similar to "program management."

We believe that agencies need additional assistance to get these funded CIP projects out to contract as soon as possible. Naturally, safe guards should be in place to ensure that the program management is being done by an independent third party who has no interest in the planning/design or construction phases of the project.

Thank you for this opportunity to express our views.

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**GCA of Hawaii**

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

February 28, 2012

TO: HONORABLE REPRESENTATIVES MARCUS OSHIRO, CHAIR,  
MARILYN B. LEE, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE  
ON FINANCE

SUBJECT: **SUPPORT OF H.B. 2411, PROPOSED HD1, RELATING TO CAPITAL IMPROVEMENTS.** Makes appropriations from general obligation bonds and certain special funds for the planning and design of future construction projects. Expressly authorizes the use of capital improvement project appropriations and revenue bond proceeds for contracting costs. Effective 07/01/2012.  
(PROPOSED HD1)

HEARING

DATE: Tuesday, February 28, 2012  
TIME: 11:00 AM  
PLACE: Conference Room 308

Dear Chair Oshiro, Vice Chair M. Lee 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. GCA is in **support** of H.B. 2411, PROPOSED HD1, Relating to Capital Improvements, provided the state's overall budget and fiscal policy is not unduly compromised.

This bill would make appropriations from general obligation bonds and certain special funds for in the sum of \$2,000,000 for the planning and design of future construction projects. The purpose of this bill is to appropriate moneys to accelerate the commencement of capital improvements construction. The legislature finds that this is necessary to promote economic recovery and job creation. The legislature further finds that the appropriations made by this measure are reasonable for the short term and reflective of an immediate high priority need of the State.

Although, this measure borrows from particular special funds, the funds will be used to further the economy and spur the construction of public works projects, while putting people to work. GCA believes this measure will have a positive effect on the economy as far as stimulating the construction related industries who have recently been experiencing a slowdown. GCA supports the enactment of the PROPOSED HD1, as an economic stimulus tool to spur our economy.

For the abovementioned reasons, we support the PROPOSED HD1, provided the state's overall budget and fiscal policy is not unduly compromised, and request that this Committee pass the measure.

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

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 26, 2012 8:24 PM  
**To:** FINTestimony  
**Cc:** Lardizabal@local368.org  
**Subject:** Testimony for HB2411 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB2411

Conference room: 308  
Testifier position: Support  
Testifier will be present: Yes  
Submitted by: Al Lardizabal  
Organization: Hawaii Laborers; Union  
E-mail: [Lardizabal@local368.org](mailto:Lardizabal@local368.org)  
Submitted on: 2/26/2012

**Comments:**

Chair Marcus Oshiro; Vice Chair Marilyn Lee and Members of the Committee:

The Hawaii Laborers' Union strongly supports HB2411 for G.O. bond appropriations for capital improvement projects. The construction industry is one segment of the economy in Hawaii that is suffering huge unemployment. The industry looks to government to "pump prime" the economy.

Thank you for the opportunity to submit this testimony.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 27, 2012 7:57 PM  
**To:** FINTestimony  
**Cc:** Brenda.Kosky@gmail.com  
**Subject:** Testimony for HB2411 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB2411

Conference room: 308  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Brenda Kosky  
Organization: Individual  
E-mail: [Brenda.Kosky@gmail.com](mailto:Brenda.Kosky@gmail.com)  
Submitted on: 2/27/2012

Comments: