

Floor Remarks
SB 2012 SD1 – February 21, 2012

Mr. President, honorable colleagues:

Your Committee on Ways and Means is pleased to bring this landmark legislation that has the potential to accelerate our State's economic recovery by creating as many as 4000 to 6000 direct and indirect jobs.

Senate Bill 2012 SD1 – The Invest in Hawaii Act of 2012 – does this by authorizing \$500M dollars in general obligation bonds to finance hundreds of repair and deferred maintenance projects in virtually every community on all of our islands which will also ensure the existence of well-maintained state facilities and infrastructure. These funds can also be used to develop sustainable and renewable energy resources to improve upon efficient energy consumption. Investing in energy and information technology initiatives throughout schools, hospitals, and office buildings would have significant impact and ultimately lead to cost savings, alleviating the drain on general funds, and a reduction of the State's carbon footprint.

We note that this is only Day 22 of our 60 day session, and that we have been able to act quickly for a number of important reasons:

First, the need is crystal clear. Many of our citizens who want to work have been unable to find jobs for too long. It is time to do something about that.

Second, literally hundreds of repair and deferred maintenance projects statewide have gone unfunded for too long – to the point that conditions in our schools, our libraries, our university campuses, our state hospitals, our public housing projects and other public facilities have become a health and safety issue. It is time to do something about that.

Third, we have bi-partisan support in the legislature, support from the administration, and strong support from both the private sector business community and trade worker organizations that cry out for meaningful action. They all know that dollars in workers' pockets mean that our economy can get rolling again to the benefit of all. It is our hope that we will find this same support from our colleagues across the hall.

Senate Bill 2012 SD1 allocates dollars as follows:

- \$150M for our public schools in virtually all of our neighborhoods across the state
- \$3M for repair and maintenance work in our public libraries
- \$60M for repair and maintenance projects of the Department of Accounting and General Services
- \$127M for capital renewal and deferred maintenance projects at UH Manoa, UH Hilo, including UH Manoa athletics and all community college campuses
- \$30M for the Department of Health,
- \$40M for the Hawaii Health Systems Corporation
- another \$40M for the Department of Human Services in public housing
- \$20M for the Department of Land and Natural Resources
- \$15M for the Department of Public Safety
- And finally, \$5M each for the Departments of Agriculture, Defense and the State Judiciary

Mr. President, I should note that the projects to be funded come from priorities established by the departments themselves.

To get these projects underway as quickly as possible, Part VI of this bill provides a temporary, expedited process of the State's procurement code. These changes were included with the full consultation and agreement of the State Procurement Officer. The ceiling for small purchase procurements increases from \$250,000 to \$1,000,000. And bids for these small purchases will continue to be via the Hawaii Electronic Procurement System to assure all quotes are available to all general and sub-contractors who are registered in the system. This continues to guarantee transparency by making all quotes public at the end of the bid period.

Although this bill temporarily exempts all county permit, license, and certificate requirements; it still requires that all capital improvement projects shall meet all federal and state permits, license, and certificate requirements, and other applicable county code requirements.

Mr. President, as Vice Chair of your Committee on Ways and Means, it is a privilege to be able to bring Senate Bill 2012 SD1 to the floor in such short order. The energy during our hearings, the positive suggestions for amendments and clarifications, and the comments we receive daily from workers around the State who see hope in our efforts, have all been an uplifting affirmation of why we serve.

I would also like to acknowledge the clear direction and concerted leadership of your office, Mr. President and that of Chair Ige. Through the process of developing this legislation – from our informational briefings with the administration before the session began, through the introduction of this landmark bill and our hearings process, guidance and good counsel from you both have been critical in our ability to reach this point so early in the session.

This is our chance to move the State forward; I urge my colleagues to approve The Invest in Hawaii Act of 2012 and send it on to the House with the hopes that our colleagues in the House will understand the urgency to also act quickly.

Thank you Mr. President.