

STAND. COM. REP. NO.

690

Honolulu, Hawaii

MAR 0 1 2013

RE: S.B. No. 215

S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Education and Ways and Means, to which was referred S.B. No. 215, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Public-Private Partnership Authority within the Department of Business, Economic Development, and Tourism to administer, coordinate, and provide leadership for the financing, improvement, or enhancement of appropriate state-owned facilities, operations, and property;
- (2) Require the Public-Private Partnership Authority to complete pilot projects prior to the implementation of any other projects; and
- (3) Make an unspecified appropriation for the Public-Private Partnership Authority.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of the Mayor, County of Maui; Hawaii Masons' Union; Masons Union Local 1 & 630; Land Use Research Foundation, and two individuals. Your Committees received testimony in opposition to this measure from Malama Kohala Kahakai, Puna Pono



Alliance, and thirty-five individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that these are difficult economic times for all levels of government. The State faces the challenge of balancing its budget while addressing escalating infrastructure and service needs. Establishing an agency to facilitate public-private partnerships between other state agencies and private parties will help the State meet its infrastructure and service needs.

Your Committees want to make clear that this measure requires the Public-Private Partnership Authority to follow all state laws, including chapter 103D, Hawaii Revised Statutes, the Hawaii Public Procurement Code, and chapter 92, Hawaii Revised Statutes, Hawaii's Sunshine Law.

In addition, your Committees note that this measure does not exempt the Public-Private Partnership Authority from any county laws or ordinances. Instead, this measure provides the counties with flexibility to determine on their own whether to waive any county law or ordinance and does not preclude the counties from passing any ordinance or entering into any memorandum of agreement that would provide for stricter regulations than what the counties already have in place.

As this measure moves forward, your Committees ask that the definitions in this measure be re-examined. Your Committees suggest looking to federal law for definitions that provide greater clarity.

Your Committees have amended this measure by:

- (1) Amending the definition of "project" to remove the management of programs by the Public-Private Partnership Authority;
- (2) Amending the powers of the Public-Private Partnership Authority by deleting language relating to the Hawaii Community Development Authority's land use, zoning, and permitting exemptions;
- (3) Deleting language requiring the provisions of the chapter governing the Public-Private Partnership Authority to be liberally construed;



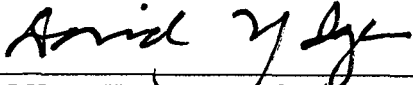
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- (4) Clarifying that prior to implementing any project, the Public-Private Partnership Authority shall obtain the prior approval of the board or executive of any public agency affected by the project;
- (5) Deleting the language establishing the public-private partnership special fund and adding language to require that any revenues generated from public-private partnership projects and plans be deposited into the general language fund;
- (6) Deleting language establishing the stadium facilities special fund;
- (7) Clarifying that the film production facility pilot project shall be on the most populous island of a county with a population between one hundred thousand and one hundred seventy-five thousand, rather than between one hundred thousand and one hundred fifty thousand;
- (8) Clarifying that there shall be only one county initiated pilot project, rather than up to one pilot project in each county, and removing the requirement that the county project be related to education or economic development;
- (9) Inserting an effective date of July 1, 2050, to encourage further discussion;
- (10) Repealing this measure on July 1, 2018; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

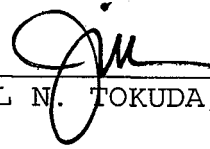
As affirmed by the records of votes of the members of your Committees on Education and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 215, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 215, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committees on Education and
Ways and Means,



DAVID Y. IGE, Chair

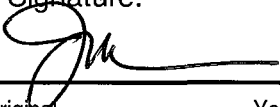


JILL N. TOKUDA, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:*	Committee Referral:	Date:		
SB215 SD1	EGH, EDU/WAM	3/1/13		
<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
TOKUDA, Jill N. (C)	✓			
KIDANI, Michelle N. (VC)				✓
RUDERMAN, Russell E.		✓		
SHIMABUKURO, Maile S.L.		✓		
SLOM, Sam	✓			
TOTAL	2	2	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-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 215, SD1	Committee Referral: EGH, EDY/WAM	Date: 3/1/13		
<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
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will		✓		
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.		✓		
THIELEN, Laura H.				✓
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
TOTAL	9	2	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Will Espero</div>				
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