

STAND. COM. REP. NO. 339-14

Honolulu, Hawaii

February 11, 2014

RE: H.B. No. 2127
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 2127, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC-PRIVATE FINANCE INITIATIVE,"

begs leave to report as follows:

The purpose of this measure is to establish the Public-Private Finance Initiative to facilitate contractual agreements with private sector interests on behalf of state agencies as a means for pursuing joint public-private financing, development, and management of State public works projects.

The Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and Department of Accounting and General Services submitted comments on this measure.

Your Committee finds that public-private financing and management agreements are currently successfully undertaken at the state and local government levels in jurisdictions across the country. These types of financing agreements allow public agencies to significantly lower the start-up costs and risks of large public works construction projects and to outsource resource-intensive long-term maintenance functions for existing public works.

HB2127 HD1 HSCR WAL HMS 2014-1792



Your Committee notes the concerns raised by the Department of Land and Natural Resources regarding the exemption from chapter 171, Hawaii Revised Statutes, which provides for oversight of contracts involving public land by the Board of Land and Natural Resources. Your Committee agrees with the Department that fairness and accountability in transactions involving public land are of paramount concern. Your Committee encourages the Department to work with the Legislature and with proponents of this measure toward resolving this issue.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2127, H.D. 1, and recommends that it be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,


CINDY EVANS Chair



