

STAND. COM. REP. NO.

1468

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 889
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Government Operations, to which was referred H.B. No. 889, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC-PRIVATE PARTNERSHIPS,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the Office of Public-Private Partnership to help the State and the counties undertake certain capital improvement projects in a more efficient and cost-effective manner by allowing more innovative project delivery methods.

Your Committee received testimony in support of this measure from the Department of Transportation; State Procurement Office; Office of Planning; Hawaii State Public Library System; and Building Industry Association of Hawaii. Your Committee received testimony in opposition to this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO and two individuals. Your Committee received comments on this measure from the Chamber of Commerce Hawaii; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; and American Institute of Architects.

Your Committee finds that Hawaii is faced with limited, if not declining, government funding. This trend is expected to continue, increasing the importance of leveraging limited governmental resources and partnering with the private sector.



Your Committee also finds that in a public-private partnership project, the public agency retains ownership and substantial control of the project, but transfers certain responsibilities to the private partner. The aim of a public-private partnership is to provide the best value and performance in the delivery of assets and services for the benefit of the general public. This measure establishes the Office of Public-Private Partnership and the position of the Public-Private Partnership Coordinator, thereby encouraging more cost effective undertakings of capital improvement projects.

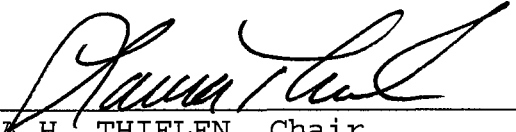
Your Committee has amended this measure by:

- (1) Establishing an internal public-private partnership working group within the Department of Accounting and General Services, instead of an Office of Public-Private Partnership;
- (2) Requiring the working group to submit an annual report to the Legislature, prior to the convenings of the Regular Sessions of 2020, 2021, 2022, 2023, 2024, and 2025;
- (3) Clarifying that the appropriation in this measure includes converting a vacant position in the Public Works Division to be the Public-Private Partnerships Coordinator;
- (4) Inserting a sunset date of January 1, 2025, for the public-private partnership working group; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 889, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 889, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,

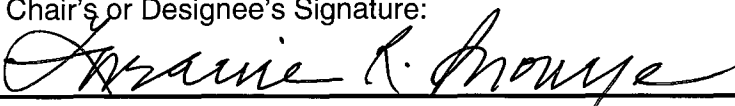


LAURA H. THIELEN, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* HB889 HDI	Committee Referral: GVO, WAM	Date: 3/19/2019		
<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
THIELEN, Laura H. (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
BAKER, Rosalyn H.	✓			
KANUHA, Dru Mamo	✓			
FEVELLA, Kurt				✓
TOTAL	4			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