

**KEITH A. REGAN** COMPTROLLER KA LUNA HOʻOMALU HANA LAULĀ

MEOH-LENG SILLIMAN DEPUTY COMPTROLLER KA HOPE LUNA HO'OMALU HANA LAULĀ

## STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

### WRITTEN TESTIMONY

OF

# KEITH A. REGAN, COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE

### **COMMITTEE ON GOVERNMENT OPERATIONS**

APRIL 15, 2025, 3:00 P.M.
CONFERENCE ROOM 225 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.C.R. 59

REQUESTING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO STUDY THE FEASIBILITY OF LIMITING THE COSTS OF PROJECT AND CONSTRUCTION MANAGEMENT IN EACH STATE CONSTRUCTION PROJECT TO TEN PERCENT OF THE TOTAL COST OF THE PROJECT.

Chair McKelvey, Vice Chair Gabbard, and Members of the Committee, thank you for the opportunity to submit testimony on H.C.R. 59.

The Department of Accounting and General Services (DAGS) **supports** this measure and offers the following comments.

The department is in agreement with this resolution that construction costs have increased and our State has some of the highest construction costs in the world.

Construction management costs have also increased over the last decade and there should be a standard of what agencies pay to the private sector for the service.

Thank you for the opportunity to provide testimony on this measure.

<u>HCR-59</u> Submitted on: 4/11/2025 5:42:22 PM

Testimony for GVO on 4/15/2025 3:00:00 PM

| <b>Submitted By</b> | Organization | <b>Testifier Position</b> | Testify                   |
|---------------------|--------------|---------------------------|---------------------------|
| Frank Schultz       | Individual   | Support                   | Written Testimony<br>Only |

Comments:

I support this initiative.