

STAND. COM. REP. NO.

2315

Honolulu, Hawaii

FEB 14 2018

RE: S.B. No. 2705
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Economic Development, Tourism, and
Technology, to which was referred S.B. No. 2705 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:

- (1) Authorize the establishment of five state public-private partnership coordinator positions within the Department of Business, Economic Development, and Tourism to manage certain public-private partnerships entered into by the State;
- (2) Establish the Office of Public-Private Partnership within the Department of Business, Economic Development, and Tourism; and
- (3) Appropriate funds to fulfill the purposes of this measure.

Your Committee received testimony in support of this measure from the State Procurement Office, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Stadium Authority, and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of Accounting and General Services; Department of Business, Economic



Development, and Tourism; and Hawaii Housing Finance and Development Corporation.

Your Committee finds that public-private partnerships are a creative tool for the State to contract and finance state projects with private organizations, creating a vast amount of opportunities to grow and expand government services. Encouraging collaboration between the public and private sectors will allow the State to more efficiently and effectively utilize public resources.

Your Committee further finds that currently there is no entity to coordinate and collaborate on public-private partnerships or to facilitate potential projects between the public and private sectors. Therefore, your Committee believes that establishing an Office of Public-Private Partnership will allow for better organization and coordination of public-private partnerships.

Your Committee has amended this measure by:

- (1) Placing the Office of Public-Private Partnership under the Department of Accounting and General Services instead of the Department of Business, Economic Development, and Tourism;
- (2) Requiring all state public-private partnership proposals to be reviewed and approved by the Department of Budget and Finance, Department of Accounting and General Services, and Department of the Attorney General;
- (3) Establishing a cap of sixty-five years on terms of partnerships entered into by the Office;
- (4) Exempting public-private partnerships entered into by the Office from chapter 103D, Hawaii Revised Statutes, State Procurement Code; 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 Economic Development, Tourism, and Technology that is



attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2705, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development, Tourism, and
Technology,



GLENN WAKAI, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Economic Development, Tourism, and Technology
ETT

Bill / Resolution No.:* SB 2705	Committee Referral: ETT, WAM	Date: 2/5/18		
<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
WAKAI, Glenn (C)	✓			
TANIGUCHI, Brian T. (VC)		✓		
BAKER, Rosalyn H.	✓			
GALUTERIA, Brickwood				✓
THIELEN, Laura H.				✓
TOTAL	2	1	0	2
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