

FINTestimony

From: Rep. Rida Cabanilla
Sent: Thursday, February 26, 2009 6:41 PM
To: FINTestimony
Cc: Rep. Marilyn Lee
Subject: Testimony HB 139
Attachments: oledata.mso



REPRESENTATIVE RIDA T.R. CABANILLA

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February 26, 2009

TESTIMONY IN SUPPORT OF HB139

Chair Marcus Oshiro and Members of the Finance Committee

I am in support of HB 139. We need to avail ourselves with every transportation option given the limited resources of our State and Federal governments when it comes to transportation funding.

Considering that new freeway construction is in the billions of dollars, it is worthwhile considering private sector investments. I realize that there perhaps concerns and anxieties about this new idea, but these concerns are addressed on line page 5 lines 12-13 under predevelopment and implementing agreements.

Although the bill is intended as an enabling legislation, the bill mandates without limitation predevelopment and implementing agreements. We can address the necessary visibility and best practice procurement process needed for fairness for all our citizens and all entities concerned on this stage.

I offer the following amendments that a non-competitive clause be added.

The State shall prohibit any non-compete clause that limits the ability of the state or county governments to meet current and future mobility and safety standards for the traveling public

such as a clause that prohibits the state or county from building or improving limited access highways within a certain a distance from a transportation toll facility.

Rida T. R. Cabanilla

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GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
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HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

February 27, 2009

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

HOUSE BILL NO. 139, HD 1

COMMITTEE ON FINANCE

House Bill 139, HD 1 authorizes the Department of Transportation (DOT) to enter in public-private-partnership (PPP) agreements for "eligible facilities". Under such PPPs, tolls or other user fees may be assessed to finance or directly compensate the private planning, design, operation, and maintenance of transportation improvements.

The Department supports this bill with amendments.

We request amendment of the definition of "eligible facility" in § -1 to include existing facilities. This is necessary for the DOT to use tolls to finance new lanes or manage single-occupant-vehicle (SOV) use of high-occupancy-vehicle (HOV) lanes on existing highways. If it is a legislative policy to prohibit tolls on existing highway lanes except to manage SOV use of HOV lanes, then we suggest adding such a proviso under § -5(a)(1).

More than twenty states have enacted similar legislation including Illinois, Indiana, California, Virginia, Oregon, Washington, Florida, Georgia, and Texas. We would like the same options as these other states.

Many states have used fixed public tolls to finance bridges, tunnels, and highway capacity improvements that otherwise would could not be afforded. Several states have used congestion pricing (i.e. adjustment of peak tolls to prevent congestion) to regulate SOV use of HOV lanes. Several states have entered into PPP agreements under which the private partner collects tolls as direct compensation for the provision of new public highways.

Existing Hawaii law does not allow tolls on state highways. However, we can already procure many kinds of PPP agreements, including design-build and design-build-maintain contracts, under Section 103D, Hawaii Revised Statutes.



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The Twenty-Fifth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Finance

Testimony by
Hawaii Government Employees Association
February 27, 2009

H.B. 139, H.D. 1 – RELATING TO TRANSPORTATION

The Hawaii Government Employees Association opposes the purpose and intent of H.B. 139, H.D. 1. Although H.B. 139 was amended so that roads already built by the state would not be allowed to be operated as toll roads by a private company, we remain opposed to the bill. While there is a growing trend nationally toward privately financed transportation facilities, we do not believe privately constructed and operated toll roads to be the best solution to increase roadway capacity. Moreover, there is already an existing proposal to spend \$4 billion to upgrade our highway system through increases in fuel taxes and fees once the economy improves.

There is a need for new public transportation projects locally. However, if there are public-private partnership agreements, protecting the public interest must be of paramount importance. Before H.B. 139, H.D. 1 is even considered, the Legislature should first adopt the language contained in H.B. 2491 (2008 Session) as an overall policy. It declared, as state policy, that certain best practices the governor and the department of transportation must adhere to to ensure that public interest is protected in any transportation public-private partnership agreements.

For example, H.B. 139, H.D. 1 does not require an analysis of the public-private partnership proposal in terms of how the public interest is protected through controlling costs and traffic congestion and retaining control of transportation policy. Also, there are no criteria requiring a determination of the risks and benefits that are to be allocated between the public and the private partner (e.g., the risk of inaccurate or overstated estimates of traffic use and revenues). We are also concerned about any long-term lease agreements of more than 20 years and non-compete clauses.

Maintaining transparency in the review process should also be a high priority. Transparency can be achieved through soliciting public comments, involving county governments and using an independent review panel to make a final recommendation. Any partnership agreements should be subject to legislative approval so that

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consideration of the various alternatives is carefully examined before any action is taken.

Although the privatization of a toll road may offer a short-term infusion of cash, it may be detrimental to the long-term public interest because it relinquishes public control over transportation policy while possibly failing to deliver the value comparable to the tolls that the public will be forced to pay for the duration of the agreement.

Thank you for the opportunity to testify in opposition to H.B. 139, H.D. 1.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nora A. Nomura', with a long horizontal flourish extending to the right.

Nora A. Nomura
Deputy Executive Director



February 27, 2009

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE
ON HB 139 HD1 RELATING TO TRANSPORTATION**

Thank you Chair Oshiro and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) which has 380 transportation related members throughout the state of Hawaii.

HTA supports the concept of tolling for new facilities or for added capacity on existing facilities, WITHOUT reducing capacity on the alternatives would be something we would support.

We have only opposed the concept of tolling for "existing facilities" as those roads / highways were already built with dedicated funds that motor vehicles and the commercial transportation industry paid.

Tolling existing facilities does not add capacity, it merely makes you pay for it. Currently ALL roadways and highways and freeways are extremely congested during peak hours. Imposing tolls on certain routes and making its use voluntary only serves to further congest the alternative roadways.

Thank you.

FINTestimony

From: UH Rent [uhrent@gmail.com]
Sent: Thursday, February 26, 2009 7:53 PM
To: FINTestimony
Subject: Testimony on HB 139 Fri 1100 am. FIN

House Committee on FIN
Friday, February 27, 2009 at 11:00 AM CR 308
In Support of HB 139 – RE: Transportation (PPP)

Aloha Chair Marcus Oshiro and Vice Chair Marilyn Lee and members of FIN committee.

I am Ilalo Parayno and retired educator and administrator and a resident on the Leeward coast.

In these rough times, we are falling deeper and deeper into a recession. And there is less and less revenue to go around for transportation infrastructure maintenance and repair, NOT to mention building a new freeway or highway etc.

The rush hour traffic from the Leeward Coast where I live to town has reached a crisis proportion. I am having to wake up at 4:00 AM in the morning in order to get to town on time.

Frankly there isn't any government money to alleviate the traffic jams. So we need to tap the private sector through a public private partnership. The authority to collect a toll is key to this concept.

I am concerned that this enabling legislation might get too complicated if burdened with detailed that are more appropriately can be addressed later.

Thank you for allowing me to testify.

FINTestimony

From: RawcoHI@cs.com
Sent: Wednesday, February 25, 2009 8:09 PM
To: FINTestimony
Subject: Testimony in support of HB1728, HD1

TESTIMONY IN SUPPORT OF HB139, HD 1

HOUSE COMMITTEE ON FINANCE

Friday, 27 February 2009 in room 308 at 1100

Chair Oshiro and respected members of the committee,

My name is Reg White. I work in the commercial boating industry of our state and we also operate the second largest bus company in Hawaii, Royal Star Hawaii Transit. We have 460 employees who all have to get to work in Waikiki and the downtown areas and return home each day. We all recognize that the state in these tough times does not have the funds to make all of the transportation improvements that our growing population requires. This bill, HB 139, HD1, creates a way to meet our transportation needs at little or no cost to the tax payer. What a fine solution to our most pressing problem. I recently made a business trip to the mainland to promote various aspects of our tourist industry. While there I was very impressed with the operation and the use of the toll roads in both Southern California and Florida. I was amazed at the amount of traffic that these roads carried, quite smoothly and at a very rapid pace. I also was able to observe that these toll facilities removed a great deal of pressure from the free public roads so that all traffic moved at a much better pace, and everyone got home much sooner and with a lot less stress. Our son lives in Orange County, California, and works for the L.A. Times. He uses the toll roads on the way to and from work and assures me that because of the smooth traffic flow his gas mileage increases, compared to pre toll road days, to the point that it almost breaks him even for the cost of the toll, and he gets home almost 45 minutes earlier each evening to enjoy his family. This seems like a very good bill and I hope you will see your way clear to pass it out.

Please do modify the language in an HD 2 to be very clear that tolling is restricted to newly constructed roads built with not more than 10% taxpayer financing, and that the project will not replace or disable any present free roads to the same destinations.

Respectfully,

Reg White
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2/26/2009