



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

February 11, 2009

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

HOUSE BILL NO. 139

COMMITTEE ON TRANSPORTATION

House Bill 139 authorizes the Department of Transportation (DOT) to enter in public-private-partnership (PPP) agreements under which tolls or other user fees can be assessed to finance or directly compensate the private planning, design, construction, operation, and maintenance of transportation improvements on public property.

The Department supports this bill.

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 single-occupant-vehicle (SOV) use of high-occupancy-vehicle (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.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

Testimony by
Hawaii Government Employees Association
February 11, 2009

H.B. 139 – RELATING TO
TRANSPORTATION

The Hawaii Government Employees Association opposes the purpose and intent of H.B. 139. 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 without raising state taxes.

There is a real need for new public transportation projects locally. However, if there are public-private partnership agreements, protecting public interest must be of paramount importance. Before H.B. 139 is 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 will ensure that the public interest is protected in any transportation public-private partnership agreements.

For example, H.B. 139 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 private partners (e.g., the risk of inaccurate or overstated estimates of traffic use and revenues). We are also concerned about 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 consideration of the various alternatives is carefully examined before any action is taken.

Finally, the enabling legislation should contain protections for the existing workforce.

Hawaii State House of Representatives, Committee on Transportation
Re: H.B. 139 - Relating to Transportation
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Thank you for the opportunity to testify in opposition to H.B. 139.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nora A. Nomura', written in a cursive style.

Nora A. Nomura
Deputy Executive Director

Testimony of Charles Carole

TO: Rep. Joseph M. Souki, Chair
House Committee on Transportation
SUBJECT: HB 139, Relating to Transportation
DATE: WEDNESDAY, February 11, 2009
TIME: 8:30 A.M.
PLACE: State Capitol Conference Room 309

I support HB 139 which will allow the State Department of Transportation to consider using public-private partnership for the construction of new traffic lanes. The users of these lanes would be charged for the expenses of these lanes, not all the State drivers.

The State DOT is presently shifting some of their planned projects into future years because of financial restraints. They need a new source of funds. In a recent proposal to build \$4 billion highway projects in which the State suggest a 10 cents increase in gas tax, a \$20 increase in auto registration and a \$2 increase in vehicle weight taxes.

With public-private partnership, only the users of these PPP lanes will pay for these lanes while the users of non-toll lanes don't pay for the PPP lanes. Both users experience less gridlock in their commute.

I hope that this committee will pass out this bill to provide our citizens with an efficient transportation system without increasing the tax burdn on them.

Honorable Representative Joseph M. Souki, Chair
Honorable Representative Karen Leinani Awana, Vice Chair
Committee on Transportation

RE: HB 139 relating to State of Hawaii negotiating a Private-Public Partnership
with Transportation Needs for the General Public – **IN SUPPORT**

Good Morning Chair Souki, Vice Chair Awana and Members of the Transportation Committee:

I m Daisy Murai, a resident of Kapaehulu and a daily commuter on the City and County of Honolulu's Public Mass Transportation System or better known as TheBus. Although Oahu's Bus System services a higher number of daily riders, offering Express Routes and travel greater distances than the Bus Systems of the Outer Islands, there is a void which can be filled by a Private-Public Partnership. The private Transportation Companies servicing popular Visitor Attractions is greatly appreciated by the General Public. The addition of private trolleys, vans, buses and taxis at Ala Moana Center and Waikiki, for example are excellent examples, especially during the popular months and events such as the Honolulu Marathon, Pro Bowl Football game, Christmas and New Years. These are the times when visitors flock to the Shopping Centers or return home and need to go to the Airport. These private transportation vehicles help to transport these visitors back to Waikiki, other shopping malls or the Airport, thus the residents are able to board the City's Bus System to the same places these visitors are heading to. Passengers catching the City's Buses are very appreciative by the services provided by these Private Businesses, otherwise, there will be a wait of 1 hour or more before being able to board the bus.

I thank you for the opportunity to speak **in favor of HB 139.**

Daisy Murai
3039 Kaunaoa Street
Honolulu, HI 96815
February 10, 2009

Date of Hearing: February 11, 2009
Time: 8:30 am
Place: Conference Room 309
FAX: 586-8469

TESTIMONY IN SUPPORT OF HB139

HOUSE COMMITTEE ON TRANSPORTATION

Wednesday, 11 February 2009 in room 209 at 08:30 AM

Chair Souki 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, 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. This seems like a very good bill and I hope you will see your way clear to pass it out.

Respectfully.

Reg White
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