STAND. COM. REP. NO. 🗳

Honolulu, Hawaii **Feb** (S, 2011 RE: H.B. No. 1505

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Water, Land, & Ocean Resources, to which was referred H.B. No. 1505 entitled:

"A BILL FOR AN ACT RELATING TO STATE FACILITIES,"

begs leave to report as follows:

The purpose of this bill is to address the State's significant backlog of deferred facility maintenance and promote new construction projects by establishing public-private partnerships through the State Facility Renovation Partnership Program.

CB Richard Ellis, Inc., supported this bill. The Department of Accounting and General Services (DAGS) opposed this measure. The Department of Budget and Finance offered comments.

Your Committee has amended this bill by, among other things:

- (1) Adding a purpose section;
- (2) Adding definitions of "building lease", "ground lease", "development agreement", and "facility";
- (3) Specifying that the State Facility Renovation Partnership Program includes all transactions, including land, improvements, or both;

1



STAND. COM. REP. NO. **430** Page 2

- (4) Clarifying the frequency and scope of DAGS' comprehensive review of state-owned facilities;
- (5) Providing that the State has the option of purchasing the facility from a private investor for the remaining balance of the debt-service costs incurred by the private investor at any time and concurrently terminating the ground lease; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water, Land, & Ocean Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1505, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1505, H.D. 1, and be referred to the Committee on Finance.

HB1505 HD1 HSCR WLO HMS 2011-2196

Respectfully submitted on behalf of the members of the Committee on Water, Land, & Ocean Resources,

Asce 430

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Water, Land, & Ocean Resources

Bill/Resolution No.: Committee	ee Referral:	Date		
HB1505 WLG, FIN 21111				
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold				
Pass short form bill with HD to recommit for future public hearing (recommit)				
WLO Members	Ayes	Ayes (WR)	Nays	Excused
1. CHANG, Jerry L. (C)				
				·
2. HAR, Sharon E. (VC)				
3. CABANILLA, Rida T.R.				
4 CARROLL MAL			· · ·	
4. CARROLL, Mele				
5. CHONG, Pono				
6. COFFMAN, Denny				
7. HERKES, Robert N.	$\overline{}$			
8. ITO, Ken				
0 MODITA Hamile M				
9. MORITA, Hermina M.				
10. NAKASHIMA, Mark M.			· · · · ·	
,				
11. RIVIERE, Gil				•
12. THIELEN, Cynthia				
· · · · · · · · · · · · · · · · · · ·				
				.
TOTAL (12)	0			3
The recommendation is: Adopted I Not Adopted If joint referral did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				