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## HOUSE CONCURRENT RESOLUTION

ENCOURAGING THE DEPARTMENT OF PUBLIC SAFETY TO ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT FOR THE PLANNING, DESIGN, CONSTRUCTION, TURNKEY, AND FINANCING OF EXPANDED, RENOVATED, OR NEW CORRECTIONAL FACILITIES STATEWIDE.

WHEREAS, part of the mission of the Department of Public Safety is to provide for public safety in Hawaii's communities through the provision of correctional services with professionalism, integrity, and fairness; and

WHEREAS, the Legislature believes that transferring incarcerated persons back to Hawaii from the mainland is in the best interest of the State as it serves and benefits the economic and social interests of its citizens; and

WHEREAS, the Department of Public Safety currently operates a total of seven correctional facilities on Hawaii Island, Kauai, Maui, and Oahu; and

WHEREAS, the Department of Public Safety's seven correctional facilities are in need of modernization or expansion to meet the State's current correctional needs; and

WHEREAS, pursuant to section 353-16.36, Hawaii Revised Statutes, the Governor may enter into and execute contracts in the name of the State with any private entity to construct and then lease or purchase correctional facilities on public or private lands for the benefit of the State; and

WHEREAS, the State is interested in promoting a publicprivate partnership to plan, design, construct, turnkey, and provide the financing thereof, as permitted under chapter 37D, Hawaii Revised Statutes, for expanded, renovated, or new correctional facilities statewide; and WHEREAS, similar financing agreements have been used by the State for other projects as an alternative funding mechanism as permitted under chapter 37D, Hawaii Revised Statutes; and

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WHEREAS, the Legislature recognizes that ultimately, there could be a requirement for future appropriations that would be necessary for the Department of Public Safety to meet any future payment obligations under the public-private partnership agreement; and

WHEREAS, the Legislature further recognizes that financing agreements or private financing for the development of correctional facilities on state lands will likely not provide better interest rates or financing costs than general obligation bonds; and

 WHEREAS, the Legislature further recognizes that the State could capitalize on equity value of its existing assets and may desire to enter into land or property agreements that may entail the sale, exchange, lease, or any combination thereof, to reduce or improve future costs or payment obligations of the State through a public-private partnership agreement; and

WHEREAS, the Legislature further recognizes that the developer could develop such lands or property sold, exchanged, leased, or any combination thereof, for something other than correctional facilities in the public-private partnership agreement; and

WHEREAS, a request for proposals for the Department of Public Safety to enter into a public-private partnership to plan, design, construct, turnkey, and finance the development of the expanded, renovated, or new facilities should be encouraged; now, therefore,

 BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, the Senate concurring, that the Department of Public Safety is encouraged to enter into a public-private partnership agreement for the planning, design, construction, turnkey, and financing of expanded, renovated, or new correctional facilities statewide; and

BE IT FURTHER RESOLVED that this body supports the construction of correctional facilities statewide and expresses its current support for future appropriations and land or property agreements that may include selling, exchanging, entering into lease agreements, or any combination thereof, that may be necessary for the Department of Public Safety to meet any future payment obligations under the agreement; and

BE IT FURTHER RESOLVED that certified copies of this

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Attorney General, Comptroller, Director of Finance, Director of Public Safety, Chairperson of the Board of Land and Natural Resources, Chairperson of the Hawaiian Homes Commission, and the Mayors and County Council chairpersons of each county.

OFFERED BY:

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