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# A BILL FOR AN ACT

RELATING TO PUBLIC-PRIVATE PARTNERSHIPS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 PART I

2 SECTION 1. The department of business, economic  
3 development, and tourism is authorized to establish and fill  
4 five full-time equivalent (5.0 FTE) state public-private  
5 partnership coordinator positions, exempt from chapter 76,  
6 Hawaii Revised Statutes, to be placed under the director of  
7 business, economic development, and tourism to manage certain  
8 public-private partnerships entered into by the State and manage  
9 certain contracts, proposals, and negotiations associated with  
10 the State's public-private partnerships. Public-private  
11 partnerships entered into by the Hawaii public housing authority  
12 are exempt from this Act.

13 PART II

14 SECTION 2. The Hawaii Revised Statutes is amended by  
15 adding a new chapter to be appropriately designated and to read  
16 as follows:

17 "CHAPTER



1                                   OFFICE OF PUBLIC-PRIVATE PARTNERSHIP

2           §   -1   **Definitions.**  As used in this chapter, unless the  
3 context requires otherwise:

4           "Office" means the office of public-private partnership.

5           §   -2   **Office of public-private partnership; established.**

6 There is established within the department of business, economic  
7 development, and tourism an office of public-private partnership  
8 to increase economic development in the State through  
9 collaboration between the public and private sectors.

10          §   -3   **Duties.**  (a)  The office shall:

11           (1)  Create a strategic plan that includes:

12                   (A)  Objectives and goals for the office and criteria  
13                   to determine the progress toward attaining the  
14                   goals;

15                   (B)  Potential public-private projects that meet the  
16                   office's objectives and goals;

17                   (C)  The necessary finances to establish and maintain  
18                   the office; and

19                   (D)  The necessary finances to develop, implement, and  
20                   maintain the potential public-private projects;



- 1           (2) Coordinate collaboration among state agencies to  
2           analyze and develop public-private partnership  
3           projects based on the needs and goals of a particular  
4           agency and the State, including proposed economic  
5           benefits, financial outcomes, contract terms and  
6           conditions, and social benefits;
- 7           (3) Create and maintain an analysis report for each  
8           public-private partnership project that shall include:  
9           (A) Proposed economic benefits;  
10           (B) Potential financial outcomes;  
11           (C) Contract terms and conditions; and  
12           (D) Social benefits;
- 13           (4) Develop and analyze plans for future public-private  
14           partnership projects, including objectives and  
15           criteria to measure the accomplishment of objectives,  
16           develop and implement programs through which the  
17           objectives are to be attained, and determine financial  
18           requirements for public resources based on the needs  
19           and goals of the State;
- 20           (5) Assist those departments having interests in public-  
21           private partnerships, coordinate activities that



- 1           involve the responsibilities of multiple state  
2           agencies, and encourage the timely and effective  
3           implementation and completion of project milestones  
4           and objectives;
- 5           (6) Develop programs to continuously encourage public-  
6           private partnership projects that will result in the  
7           development of improved infrastructure and government  
8           services in Hawaii;
- 9           (7) Formulate and assist state agencies in formulating  
10          specific program and project proposals to solicit  
11          public-private partnerships;
- 12          (8) In collaboration with agencies and private businesses,  
13          oversee and implement each public-private partnership  
14          project; and
- 15          (9) Initiate Aloha Stadium redevelopment as its initial  
16          public-private partnership project.
- 17          (b) The office of public-private partnership shall manage  
18          only those public-private partnerships that have a minimum cost  
19          of \$ .
- 20          § -4 Review of public-private partnership proposals;
- 21          approval (a) Prior to entering into a public-private



1 partnership, the office shall submit any documents proposing the  
2 public-private partnership to the director of business, economic  
3 development, and tourism, director of finance, comptroller, and  
4 attorney general for review and approval to enter into the  
5 partnership.

6 (b) The office may amend the public-private partnership  
7 proposals; provided that the final public-private partnership  
8 proposal issued by the office shall be substantially similar to  
9 the public-private partnership proposals approved by the  
10 director of business, economic development, and tourism,  
11 director of finance, comptroller, and attorney general.

12 § -5 **Public-private partnership; approvals.** (a) After  
13 selecting a proposal for a public-private partnership and  
14 obtaining approval of the director of business, economic  
15 development, and tourism, director of finance, comptroller, and  
16 attorney general for the public-private partnership project, the  
17 office may enter into the project with the selected private  
18 entity or entities.

19 (b) Notwithstanding any law to the contrary, a public-  
20 private partnership approved and entered into by the office



1 pursuant to this chapter shall not exceed a term of sixty-five  
2 years from the effective date of the public-private partnership.

3 § -6 Procurement, exemption. Public-private  
4 partnerships entered into by the office shall be exempt from  
5 chapter 103D."

6 PART III

7 SECTION 3. There is appropriated out of the general  
8 revenues of the State of Hawaii the sum of \$ or so  
9 much thereof as may be necessary for fiscal year 2018-2019 to:

10 (1) Establish and fill five full-time equivalent (5.0 FTE)  
11 state public-private partnership coordinator positions  
12 pursuant to part I of this Act; provided that the  
13 positions may be added to the position count for the  
14 department of business, economic development, and  
15 tourism; and

16 (2) Establish and operate the office of public-private  
17 partnership.

18 The sum appropriated shall be expended by the department of  
19 business, economic development, and tourism for the purposes of  
20 this Act.

21 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

DBEDT; Public-Private Partnership Coordinator Position; Office of Public-Private Partnership; Appropriation

**Description:**

Authorizes establishment of 5 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 and associated contracts, proposals, and negotiations, except public-private partnerships entered into by Hawaii Public Housing Authority. Establishes an Office of Public-Private Partnership within the Department of Business, Economic Development, and Tourism. Appropriates funds. Effective 7/1/2050. (SD2)

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