

Senate Passes the Invest in Hawaii Act of 2012

On February 21, the Senate unanimously passed the Invest in Hawaii Act of 2012 ([SB 2012](#)). The bill is being considered in the House. SB 2012 is a \$500 million, bond-funded capital improvement program package to create jobs by investing and stimulating our statewide economy. “We are proud of this legislation, which has united all members of the Senate. This bill will get our economic engine going and create much-needed jobs that will get thousands of people off the bench and back to work,” Senate President Shan Tsutsui. With Hawaii having low interest rates and significant savings from the State’s most recent bond authorization and issuance, now is the time to invest in our State. The Act will fund shovel-ready projects that will create jobs for all trades in the construction industry, from carpenters to consultants.

By conservative estimates from the Department of Business, Economic Development, and Tourism, the bill could create or sustain more than 5,000 jobs. Senator David Ige, Chair of the Committee on Ways and Means, said, “We have an opportunity to address long-standing needs in a cost effective manner. Interest rates are at a historic low and bids for contracted work are currently coming in at discounted rates. These factors makes now the prime time to aggressively invest in Hawaii’s infrastructure.”

Projects being considered will focus on repair and maintenance for aging infrastructure, extending the useful life of state-owned assets and facilities, and addressing health and safety code issues. Funds will be allocated depending on each department’s needs and ability to commence work immediately.

Another priority is investing in renewable energy and investing in upgrades to information technology in schools, hospitals, and office buildings. These projects will lead to cost savings and reduce the state’s carbon footprint. SB 2012 would revise the state’s permitting, approval and procurement processes to expedite the backlog of repair and maintenance projects. This will speed up the creation of jobs and facilitate the return to work for many residents.

All companies are encouraged to register with the State Procurement Office’s online system to be eligible to bid on projects. The process is fair and transparent, with bids posted publicly for everyone to see. If the bill passes the House and the Governor approves it, projects could begin immediately. For more information, see www.capitol.hawaii.gov.

Highlights of the funding for the Invest in Hawaii Act:

\$150M repair, maintenance, & infrastructure projects such as science and technology, electricity, and other utility infrastructure improvements in public schools

\$3M State Library repair & maintenance

-\$90M for capital renewal & deferred maintenance for UH Manoa and Hilo

-\$25M for capital renewal and deferred maintenance for UH community colleges

–**\$60M** for Department of Accounting &
General Services repair & maintenance

–**\$40M** for Department of Human Services
repair & maintenance projects

–**\$40M** for Hawaii Health Systems
Corporation repair & maintenance projects