

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA. 'IMI WAIWAI A HOʻOMĀKAʻIKAʻI

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Statement of CHRIS J. SADAYASU Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

Tuesday, March 14, 2023 1:30 PM

State Capitol, Conference Room 229

In consideration of

HB989 HD1

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.

Chair DeCoite, Vice Chair Wakai and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) strongly supports HB989 HD1, an Administration Bill, that provides an appropriation for DBEDT to pay for expenses related to building renovations of its offices located on the fifth floor of No.1 Capitol District Building, located at 250 South Hotel Street, Honolulu, Hawaii.

In the 2022 legislative session, the Legislature passed House Bill No. 1600, H.D.1, S.D.1, C.D.1, which appropriated funds received by the State from the American Rescue Plan Act in the amount of \$660,000. However, Governor Ige line-item vetoed that amount to comply with the federally mandated Elementary and Secondary School Emergency Relief Funds Maintenance of Effort requirement.

DBEDT requests funds in the amount of \$660,000 to pay for expenses not included in the Department of Accounting and General Services' (DAGS) contract for renovations to the building infrastructure. These expenses include relocation, decluttering, moving and storage costs, and the replacement of partitions.

A breakdown of the expenses is as follows:

| Boxes, shredding, other related expenses | \$ 22,000 |
|---|-----------|
| Moving services and related expenses | \$100,000 |
| Temporary office rent and relocation expenses | \$ 50,000 |
| Storage | \$ 80,000 |
| Partitions and furniture | \$408,000 |
| Total Estimate | \$660,000 |

Thank you for the opportunity to testify.



HAWAII GREEN INFRASTRUCTURE AUTHORITY

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Testimony of Gwen Yamamoto Lau

Executive Director

Hawai'i Green Infrastructure Authority

before the

SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

Tuesday, March 14, 2023, 1:30 PM State Capitol, Conference Room 229 in consideration of

House Bill No. 989, HD1 RELATING TO THE DEPARMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

Chair DeCoite, Vice Chair Wakai and Members of the Energy, Economic Development and Tourism Committee:

Thank you for the opportunity to testify and provide comments on House Bill No. 989, HD1 relating to the Department of Business, Economic Development and Tourism ("Department"). The Hawai'i Green Infrastructure Authority (HGIA) **strongly supports** this bill which makes an appropriation to authorize general funds for expenses related to building renovations.

Due to health and safety concerns and deteriorating conditions, plans are in place to completely gut the entire fifth floor of the No. 1 Capitol District Building beginning May 2023. While the renovation contract under the Department of Accounting and General Services includes all renovation related expenses, it does not include relocation expenses (e.g., shredding, moving, and storage), nor does it include the replacement of unstable, fully depreciated and damaged workstations. This bill provides much needed funds outside of building renovations for project completion.

Thank you for this opportunity to testify and provide comments in support of House Bill No. 989, HD1.