

STAND. COM. REP. NO. 1200

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 70
H.D. 3

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 70, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this bill is to provide an innovative approach to address Hawaii's transportation needs by authorizing the Department of Transportation (DOT) to enter into public-private partnerships for the development and operation of transportation and related facilities.

DOT, Honolulutraffic.com, Hawaii Automobile Dealers' Association, Charley's Taxi, and numerous concerned individuals supported this bill. The Department of Taxation supported the intent of this measure. The Hawaii Government Employees Association opposed this bill. The Hawaii Transportation Association submitted comments.

Your Committee finds that, with respect to the confidentiality provisions contained in this bill, the private partner, not the State, is the appropriate entity to determine what is proprietary information. In addition, your Committee has concerns regarding the provision of this bill reasserting the fact that rules adopted under Chapter 91, Hawaii Revised Statutes (HRS), have the force and effect of law. Your Committee finds that the rulemaking authority provided to DOT in this measure should be used in a prudent and judicious manner that does not

HB70 HD3 HSCR FIN HMS 2007-2838



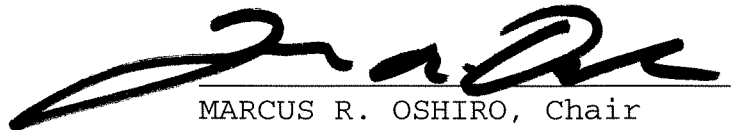
undermine, supercede, or violate statutory provisions enacted into law and legislative intent.

Your Committee has amended this measure by:

- (1) Deleting the provision allowing public private partnership agreements to exempt activities related to, and income derived from, property developed, operated, or held by a private partner from any tax under Title 14, Hawaii Revised Statutes;
- (2) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 70, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 70, H.D. 3.

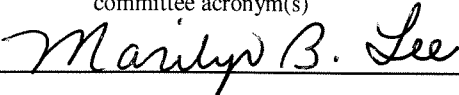
Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 70 HD2		Date: 2/28/07		
Committee Referral: TRN, EDB, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. BELATTI, Della Au		✓		
4. BROWER, Tom			✓	
5. CARROLL, Mele	HTJ			✓
6. CHONG, Pono	✓			
7. HANOHANO, Faye P.		✓		
8. HAR, Sharon E.		✓		
9. MAGAOAY, Michael Y.		✓		
10. MANAHAN, Joey		✓		
11. MIZUNO, John		✓		
12. NAKASONE, Bob		✓		
13. RHOADS, Karl		✓		
14. SAGUM, Roland D., III		✓		
15. TOKIOKA, James Kunane		✓		
16. AWANA, Karen Leinani		✓		
17. MEYER, Colleen Rose				✓
18. WARD, Gene, Ph.D.	✓			
TOTAL	4	11	1	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				