The Thirty-First Legislature, State of Hawaii
House of Representatives
Committee on Government Reform

Testimony by
Hawaii Government Employees Association
February 5, 2021

H.B. 1212 – RELATING TO PUBLIC-PRIVATE PARTNERSHIPS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO raises strong concerns over the intent and impact of H.B. 1212 which establishes and appropriates funding for the Office of Public-Private Partnership within the Department of Accounting and General Services and adds new project delivery methods to the Procurement Code.

While we acknowledge that there can be benefit to certain public-private partnerships (P3s) in securing and leveraging private funds for the public’s use, there are also many examples of inefficiencies, failures and negative impacts to public assets and the public’s trust in government as a result of P3s. As drafted, we respectfully raise strong concerns over the unintended consequences of establishing any office that has carte blanche authority over its own objectives, goals, criteria, and measurements of efficacy. In order to ensure the public’s trust, there must be accountability and oversight for every agency that expends taxpayer dollars, independent of political shifts or the whims of a new Administration.

Additionally, we raise strong concerns over the implications of a project delivery system that allows a combination of design, build, finance, operate, or maintain, as it may enable the private operation of any and all of the state’s facilities, including public schools, prisons, hospitals, water treatment plants, collection systems, landfills, public roads, parking lots, airports, and highways, among others. H.B. 1212 is overly broad and all encompassing, and we prefer policy that strictly limits the scope of P3s to securing a fusion of private sector funding.

Before we consider committing funds and state agency efforts for another “new fix,” we respectfully suggest the Legislature prioritize its efforts in determining areas where government inefficiency is resulting in lost resources and revenues, as well as rely on the expertise and suggestions of its workforce.

Thank you for the opportunity to raise concerns on the broad scope of H.B. 1212.

Respectfully submitted,

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