

Honolulu, Hawaii

APR - 1 2010

RE: H.B. No. 865  
H.D. 1  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 865, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to require the Statewide Transportation Council to comply with county transportation and general plans, without impacting the receipt of federal funds, in the preparation of the statewide transportation plan for the State's projected transportation needs.

Your Committee conducted a public hearing on a proposed draft of this measure to establish a pilot project to transfer the maintenance functions of specific state highways to certain counties.

More specifically, the proposed draft:

- (1) Creates a pilot project to transfer the Department of Transportation's statutory maintenance functions, and applicable funding, for state highways on Maui, Molokai, and Lanai to the county of Maui;
- (2) Transfers officers, employees, records, and appropriations from the Department of Transportation to the county of Maui Department of Public Works;



- (3) Maintains the State's ownership of the state highways included in the pilot project during the project's duration;
- (4) Requires the Department of Transportation to create an equitable funding formula for Maui county;
- (5) Allows Maui county to adopt ordinances to supersede state administrative rules when the ordinances are more comprehensive than administrative rules regarding highway maintenance;
- (6) Creates the State and Maui County Transportation Working Group to plan the implementation of the pilot project; and
- (7) Requires the Department of Transportation and Maui county to report to the Legislature regarding the implementation of the project.

Testimony in support of the proposed draft was submitted by the Department of Transportation. Testimony in opposition was submitted by two concerned individuals. The Department of the Attorney General, Department of Budget and Finance, and the Maui County Department of Public Works submitted comments. Written testimony may be reviewed on the Legislature's website.

Your Committee finds that the Department of Transportation and county departments have duplicative responsibilities for the maintenance of state highways. As a result, funds may be unnecessarily spent on routine highway maintenance. Your Committee believes that this pilot project will reduce duplicative responsibilities by transferring the maintenance for specific state highways to certain counties.

Your Committee has amended this measure by replacing its contents with the contents of the proposed draft and amending the proposed draft by:

- (1) Clarifying certain provisions to comply with constitutional requirements with respect to the application of laws to counties;



- (2) Amending language in section 1 of the measure, concerning its purpose, to clarify the accuracy of certain facts;
- (3) Amending the definitions of "highway maintenance functions", "memorandum of agreement", and "state highways";
- (4) Removing the provision that requires the transfer to the counties of federal aid received by the Department of Transportation;
- (5) Requiring applicable counties to adopt preventive maintenance functions that are consistent with Federal Highway Administration preventive maintenance guidelines;
- (6) Allowing county rules to supersede state rules only when the county rules are more stringent than the state rules;
- (7) Requiring certain criteria with respect to the memorandum of agreement between the Department of Transportation and counties with populations that are divided among at least three islands; and
- (8) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 865, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 865, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONNA MERCADO KIM, Chair



The Senate  
 Twenty-Fifth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 865 HD1	WAM	3-29-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton				/
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
<b>TOTAL</b>	11	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes