

STAND. COM. REP. NO.

2163

Honolulu, Hawaii

FEB 10 2010

RE: S.B. No. 2954
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 Transportation, International and Intergovernmental Affairs, to which was referred S.B. No. 2954 entitled:

"A BILL FOR AN ACT RELATING TO TRANSFER OF STATE HIGHWAYS,"

begs leave to report as follows:

The purpose of this measure is to establish a pilot project to provide for the transfer of all state highway functions on Maui, Molokai, and Lanai from the Department of Transportation to the County of Maui, and to transfer applicable funding for state highways on Maui from the State to Maui County.

Your Committee received testimony in support of this measure from the Task Force on Reinventing Government. Testimony in opposition was received from the Department of Transportation and the Department of Public Works of the County of Maui. Comments were received from a member of the County Council of the County of Maui. Written testimony presented to the Committee may be reviewed on the Legislature's website.

The Legislature finds that the State's current fiscal crisis necessitates an abolition of duplicative state and county functions. The Department of Transportation and the Maui County Department of Public Works share overlapping functions for construction and maintenance of highways. The Legislature further finds that counties are more economically efficient at providing highway functions inasmuch as the highways are inherently a county



function in Hawaii which does not have an interstate highway system similar to mainland states.

According to testimony of the Department of Transportation, it is not opposed to the transfer of maintenance functions for state highways located in the County of Maui to the County of Maui Department of Public Works. This arrangement apparently has been under consideration for some time.

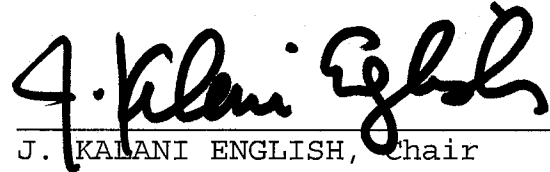
Your Committee has amended this measure by:

- (1) Limiting the transfer to maintenance functions for state highways;
- (2) Clarifying that the transfer shall be made to the Maui County Department of Public Works;
- (3) Changing the definition of "highway functions" to "highway maintenance functions" and defining "highway maintenance functions" to mean maintenance functions performed by the Department of Transportation on state highways located in the County of Maui, including under a memorandum of agreement;
- (4) Defining "memorandum of agreement" as a written agreement entered into between the Department of Transportation and the Maui County Department of Public Works to effectuate the transfer;
- (5) Including in the transfer any other state highway as may be identified in a memorandum of agreement; and
- (6) Adding a provision for an equitable proportionate funding formula to require the Department of Transportation to develop and apply in the transfer of public funding to the Maui County Department of Public Works.

As affirmed by the record of votes of the members of your Committee on Transportation, International and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2954, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2954, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Transportation,
International and
Intergovernmental Affairs,


J. KALANI ENGLISH, Chair



