

Honolulu, Hawaii
March 22, 2012

RE: S.B. No. 2872

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 2872 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

The purpose of this measure is to allow any utility owner whose facility occupies a state highway right-of-way to provide its share of costs up front to the affected state agency for encumbrance of funds in related contracts by way of an agreement to pay.

The Department of Transportation testified in support of this measure.

Your Committee finds that when construction of a state or county highway results in the removal, relocation, replacement, or reconstruction of private utility facilities at an expense exceeding \$10,000, section 264-33, Hawaii Revised Statutes (HRS), requires the excess cost to be shared, half by the government, and half by the utility.

However, according to the Department of Transportation, under Chapter 103D-309, HRS, this cost sharing is only applicable to contracts entered into under section 264-33, HRS, which does not allow for cost sharing for certain types of utility work. In order to provide for cost sharing to also apply to utility work such as undergrounding and installation of new utility facilities, which does not fall under section 264-33, HRS,

SB2872 HSCR TRN HMS 2012-2988

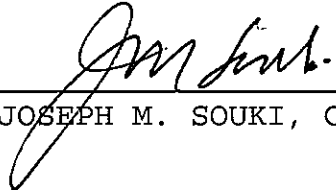


section 103D-309(c), HRS, must be amended to delete this limitation.

Your Committee finds that this measure is intended to address a long-standing challenge for the Department of Transportation to complete projects involving all types of utility work, including undergrounding and new facilities.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2872 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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



JOSEPH M. SOUKI, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HSCR1157-12

Record of Votes of the Committee on Transportation

Bill/Resolution No.: SB 2872	Committee Referral: TRN, FIN	Date: 3/19/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. SOUKI, Joseph M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. CULLEN, Ty				✓
5. LEE, Marilyn B.				✓
6. LUKE, Sylvia				✓
7. SAIKI, Scott K.	✓			
8. TAKUMI, Roy M.	✓			
9. YAMASHITA, Kyle T.	✓			
10. FONTAINE, George R.	✓			
11. JOHANSON, Aaron Ling	✓			
TOTAL (11)	8			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>Linda Ichiyama</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				