



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

GOV. MSG. NO. 1361

July 2, 2013

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

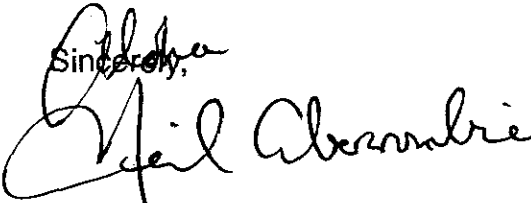
The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 2, 2013, the following bill was signed into law:

SB1083 HD2 CD1

RELATING TO TRANSPORTATION OF SCHOOL
CHILDREN
ACT 258 (13)

Sincerely,


NEIL ABERCROMBIE
Governor, State of Hawaii

A BILL FOR AN ACT

RELATING TO TRANSPORTATION OF SCHOOL CHILDREN.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds and determines that
2 student transportation costs have escalated in recent years,
3 prompting the legislature to mandate comprehensive assessments
4 and reports relating to the transportation of school children.
5 In November 2012, the Student Bus Transportation Study Final
6 Report was received by the department of education from its
7 consultant, Management Partnership Services, Inc., confirming
8 that student transportation costs have escalated unacceptably in
9 recent years. The final report cited statutory compensation
10 requirements as a constraint on contracting for bus services.
11 The report noted that statutory wording has the most direct
12 impact on system efficiencies, as it establishes a floor for bus
13 driver salaries.

14 Consequently, the legislature further finds and determines
15 that the statutory provisions governing the transportation of
16 school children and contracts for such transportation should be
17 revised in a manner that will enable the department of education
18 to implement the recommendations of the department's consultants



1 to restructure practices, policies, and procedures relating to
2 requests for proposals, thereby providing greater flexibility in
3 determining market values while maintaining the integrity of the
4 procurement process through specifications in contract
5 negotiation.

6 The purpose of this Act, therefore, is to exempt contracts
7 providing student transportation services from statutory
8 requirements for labor costs.

9 SECTION 2. Section 103-55, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) This section shall apply to all contracts to perform
12 services in excess of \$25,000, including contracts to supply
13 ambulance service and janitorial service.

14 This section shall not apply to:

- 15 (1) Managerial, supervisory, or clerical personnel.
- 16 (2) Contracts for supplies, materials, or printing.
- 17 (3) Contracts for utility services.
- 18 (4) Contracts to perform personal services under
19 paragraphs (2), (3), (12), and (15) of section 76-16,
20 paragraphs (7), (8), and (9) of section 46-33, and
21 paragraphs (7), (8), and (12) of section 76-77.
- 22 (5) Contracts for professional services.



1 (6) Contracts to operate refreshment concessions in public
2 parks, or to provide food services to educational
3 institutions.

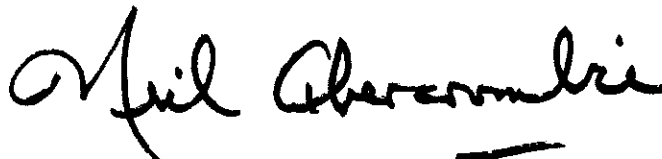
4 (7) Contracts to provide transportation services for
5 school children.

6 [~~7~~] (8) Contracts with nonprofit institutions."

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval.

APPROVED this 2 day of JUL, 2013



GOVERNOR OF THE STATE OF HAWAII