

Honolulu, Hawaii

FEB 14 2024

RE: S.B. No. 3179

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 3179 entitled:

"A BILL FOR AN ACT RELATING TO CAPITAL ADVANCEMENT CONTRACTS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Increase the caps for the total contract value for any one capital advancement contract (CAC) and the total aggregate value of CACs in a fiscal year entered by the Department of Transportation with private parties for harbor improvements; and
- (2) Add reporting requirements for the Department of Transportation.

Your Committee received testimony in support of this measure from the Department of Transportation; Matson Navigation Company, Inc.; Hawaii Harbors Users Group; and Young Brothers, LLC.

Your Committee finds that CAC dramatically expedite certain projects at state commercial harbor facilities and increase project efficiencies when private parties lead the projects in a manner that minimizes project impacts on cargo operations. Your Committee further finds that with increased CAC, the Department of Transportation would be able to facilitate improved project



delivery. This measure will fast-track desperately needed public improvements to state commercial harbor facilities by accounting for inflation and other rising costs of materials and labor for prioritized projects.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3179 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
Culture and the Arts,



CHRIS LEE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
 Committee on Transportation and Culture and the Arts
 TCA

Bill / Resolution No.:* SB 3179	Committee Referral: TCA, WAM	Date: 2/8/24
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
KANUHA, Dru Mamo	✓			
AWA, Brenton	✓			
TOTAL	5			

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes