

RE: S.B. No. 2726  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii  
Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2726, S.D. 1, entitled:  
"A BILL FOR AN ACT RELATING TO PARKING CONCESSIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to allow for the efficient and timely procurement of parking lot operation services located on all public properties.

Specifically, this measure expands the exemption from mandatory public bidding requirements under state procurement law currently provided to parking concessions at airports to all parking concessions located on public property.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee received written comments in opposition to this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu.

Your Committee finds that the public bidding process required by section 102-2(a), Hawaii Revised Statutes, can create significant delays when a department attempts to replace a parking vendor. Your Committee further finds that the ability for a department to quickly respond to a need to change parking vendors or other extenuating circumstances is essential to ensure uninterrupted parking services for the public.

Your Committee has amended this measure by:

(1) Removing the proposed language that expanded the exemption from the mandatory bidding requirements of section 102-1, Hawaii Revised Statutes, to all parking concessions on public property;

(2) Restoring the existing narrow exemption provided for the operation of parking lot operations and ground transportation services at airports, and expanding that exemption to include parking lot operations and ground transportation services at small boat harbors;

(3) Correcting the text of section 102-2(b), Hawaii Revised Statutes, to correspond to the printed version of the Hawaii Revised Statutes; and

(4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

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 S.B. No. 2726, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2726, S.D. 2.

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

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DONOVAN M. DELA CRUZ, Chair