

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii  
Sir:

Your Committee on Government Reform, to which was referred S.B. No. 2726, S.D. 2, entitled:  
"A BILL FOR AN ACT RELATING TO PARKING CONCESSIONS,"

begs leave to report as follows:

The purpose of this measure is to exempt parking lot operations and ground transportation services at airports and small boat harbors from the mandatory public bidding requirements under the State's procurement laws.

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

Your Committee finds that the public bidding process can create significant delays when a department attempts to replace a parking vendor. Your Committee further finds that this measure will allow departments the ability to create parking plans that are more advantageous to the State and can be tailored to specific locations and conditions on a case-by-case basis.

Your Committee has amended this measure by changing its effective date to July 1, 2112, to encourage further discussion.

Your Committee is concerned that exempting all parking lot contracts from the State Procurement Code as the means to address the handling of funds for contracts from parking lot vendors is vastly overbroad, especially given that there are allegedly multiple vendors that can and will bid on such contracts if given the chance. Your Committee respectfully requests your Committee on Consumer Protection & Commerce, should it choose to deliberate on this measure, to look at more precise language that would address this issue without creating a blanket exemption that will raise additional issues of transparency and accountability in parking lot contracts.

Should a Committee on Conference be established to deliberate on this measure, your Committee respectfully requests that the Chairperson of your Committee on Water & Land be included as a co-chair on the Committee on Conference.

As affirmed by the record of votes of the members of your Committee on Government Reform that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2726, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2726, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on  
Government Reform,

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ANGUS L.K. McKELVEY, Chair