

STAND. COM. REP. NO. 2278  
Honolulu, Hawaii

RE: S.B. No. 2726  
S.D. 1

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

Your Committee on Government Operations, to which was referred S.B. No. 2726 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 exempt parking concessions from the requirements of section 102-2, Hawaii Revised Statutes, which requires the sealed bid method of procurement to be used and imposes certain limitations on the duration of contracts.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from the City and County of Honolulu's Department of Budget and Fiscal Services.

Your Committee finds that section 102-2, Hawaii Revised Statutes, presently governs the process of procuring services for the operation of parking lots. Your Committee further finds that the requirements of this section can unnecessarily hinder the efficient and timely procurement of necessary and at times, urgently-needed, parking lot operation services. Your Committee additionally finds that the mandates of this section increase the cost of procuring services for the operation of parking lots and is antithetical to the overarching goal of minimizing taxpayer expense.

Your Committee notes the testimony submitted in opposition to this measure, which is premised in part on the assumption that this measure exempts parking concessions from chapter 102, Hawaii Revised Statutes, altogether. Your Committee finds, however, that such is not the case. The provisions of chapter 102, Hawaii Revised Statutes, other than the subject of this measure, remain applicable to public concessions, as noted by the testimony of the Department of Land and Natural Resources, thereby keeping fairness and transparency guardrails in-tact.

Accordingly, your Committee finds that this measure will provide procuring agencies the ability to respond more swiftly to critical and emergency parking needs. This measure will also provide to procuring agencies a reasonable degree of flexibility that will promote, ultimately, the efficient and effective delivery of parking services to the public and for government operations.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

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

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

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SHARON MORIWAKI, Chair