

STAND. COM. REP. NO.

375

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 960  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 960 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the maximum value of capital advancement contracts that may be executed by the Department of Transportation without legislative approval;
- (2) Repeal the requirement for the Department of Transportation to obtain legislative approval for capital advancement contracts;
- (3) Increase the total aggregate value of capital advancement contracts the Department of Transportation may enter into in a fiscal year; and
- (4) Establish certain reporting requirements to the Legislature related to capital advancement contracts.

Your Committee received testimony in support of this measure from the Department of Transportation; Young Brothers, LLC; and Chamber of Commerce Hawaii.

2025-1356 HB960 HD1 HSCR HMSO



Your Committee finds that the existing cap of \$2,000,000 per contract and an aggregate limit of \$5,000,000 per party restricts the scope, type, and number of projects that can be undertaken under a capital advancement contract. Increasing these limits to at least \$5,000,000 per contract and \$20,000,000 in total would enable the Department of Transportation to enhance port facility improvements more effectively. Given rising project costs due to inflation and increasing material and labor expenses, higher caps would allow for more efficient project execution and delivery.

Your Committee, therefore, respectfully requests your Committee on Finance, should it deliberate on this measure, to consider increasing the amounts by at least \$5,000,000 per contract and \$20,000,000 in total.

Your Committee has amended this measure by:

- (1) Changing the reporting period to align with the fiscal year;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 960, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 960, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,



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DARIUS KILA, Chair



