

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1076  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 1076 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

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 and the total aggregate value of all Capital Advancement Contracts in a fiscal year entered into by the Department of Transportation with private parties for harbor improvements; and
- (2) Require reports to the Legislature from the Department of Transportation.

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

Your Committee finds that the State has been struggling to expedite project delivery, especially for projects that increase port resilience and operational efficiency. Existing law authorizes the Harbors Division of the Department of Transportation to enter into Capital Advancement Contracts with private parties for any public improvement to or construction of a



state port facility when the Director of Transportation determines that a Capital Advancement Contract promotes the best interest of the State, but the current cap of \$2,000,000 per contract or aggregate \$5,000,000 per party limits the scope, type, and number of projects that can be completed under a Capital Advancement Contract. This measure addresses this obstacle by increasing the current limits on Capital Advancement Contracts.

Your Committee notes that the report required by this measure aligns with the calendar year. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider amending the reporting period to align with the fiscal year, rather than the calendar year.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

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. 1076, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1076, S.D. 1, 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,



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CHRIS LEE, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

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

Bill / Resolution No.:* <b>SB 1076</b>	Committee Referral: <b>TCA, WAM</b>	Date: <b>2-11-2025</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ELEFANTE, Brandon J.C.	✓			
KANUHA, Dru Mamo	✓			
DECORTE, Samantha	✓			
<b>TOTAL</b>	<b>5</b>			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:            Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes