
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State has been
2 struggling to expedite capital advancement projects that
3 increase harbor resilience and operational efficiency. The
4 department of transportation is authorized to enter into capital
5 advancement contracts with private parties for any public
6 improvement to, or construction of, a state harbor facility if
7 the director of transportation determines that the contract
8 promotes the best interest of the State and meets certain
9 requirements.

10 The legislature further finds that the fiscal caps on
11 capital advancement projects limit the scope, type of work, and
12 number of projects that can be executed under such contracts.

13 Accordingly, the purpose of this Act is to:

14 (1) Increase the maximum value of capital advancement
15 contracts that may be executed by the department of
16 transportation without legislative approval;



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- 1 (2) Repeal the requirement for the department of
- 2 transportation to obtain legislative approval through
- 3 concurrent resolution for capital advancement
- 4 contracts greater than \$2,000,000;
- 5 (3) Increase the total aggregate value of capital
- 6 advancement contracts that the department of
- 7 transportation may enter into in a fiscal year; and
- 8 (4) Establish certain reporting requirements related to
- 9 capital advancement contracts.

10 SECTION 2. Section 266-19.5, Hawaii Revised Statutes, is

11 amended by amending subsection (d) to read as follows:

12 "(d) The department of transportation may execute capital

13 advancement contracts pursuant to subsection (a) with a total

14 contract value of [~~\$2,000,000~~] \$ _____ or less without

15 legislative approval. [~~If the total value of a capital~~

16 ~~advancement contract pursuant to subsection (a) is greater than~~

17 ~~\$2,000,000 then the department of transportation shall obtain~~

18 ~~legislative approval in the form of the adoption of a concurrent~~

19 ~~resolution affirming the purpose, project, and contract issuance~~

20 ~~prior to executing the capital advancement contract.] The total~~

21 aggregate value of all capital advancement contracts entered



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1 into by the department pursuant to this section shall not exceed
2 [~~\$5,000,000~~] \$ _____ in any [~~calendar~~] fiscal year. The
3 department shall submit a report to the legislature of all
4 executed capital advancement contracts for the previous twelve-
5 month period from December 1 to November 30 no later than twenty
6 days prior to the convening of the regular session of 2026 and
7 each regular session thereafter."

8 SECTION 3. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2025.

11

INTRODUCED BY: _____



JAN 21 2025



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Report Title:

DOT; Harbor Improvements; Capital Advancement Contracts; Reports

Description:

Increases the maximum value of capital advancement contracts that may be executed by the Department of Transportation without legislative approval. Repeals the requirement for the Department of Transportation to obtain legislative approval through concurrent resolution for capital advancement contracts greater than \$2,000,000. Increases the total aggregate value of capital advancement contracts that the Department of Transportation may enter into in a fiscal year. Establishes certain reporting requirements related to capital advancement contracts.

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