

ACT 191

S.B. NO. 909

A Bill for an Act Relating to School Bus Contracts.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 296-46.1, Hawaii Revised Statutes, is amended to read as follows:

“**§296-46.1 School bus contracts.** (a) Any law to the contrary notwithstanding, school bus contracts between the State and a private contractor may be extended for two years by mutual agreement; provided that the parties may agree to extend the contract for an additional two years thereafter. The compensation due to the contractor by the State for each extended year may be increased, but in an amount not to exceed five per cent of the previous year’s compensation. In addition, the compensation due¹ the contractor by the State for any original or extended contract year may be increased by a reasonable amount for unanticipated inflationary increases in the cost of fuel. If the original contract between the State and a private contractor already includes an option to extend the contract period,² this subsection³ shall be applicable after the contract option is exercised.

(b) In the renegotiation for the extension of any contract, the contractor shall be notified at least three months in advance to prepare data and facts relating to fuel cost for the justification of an increase in amount for the new contract period.

(c) In the event a school is temporarily closed due to an unexpected disruption necessitating the closing of a school, the contractor and the State may enter into renegotiation for payments of fixed costs.

(d) The contract between the State and the contractor shall not include an age limitation on school bus vehicles. The serviceability of a vehicle shall be determined by chapter 286.

(e) The contract between the State and the contractor shall include a provision requiring the contractor to equip his vehicles with the signs and visual signals described in section 291C-95(d) and (g). The contract shall also include other provisions as may be deemed necessary by the State for the safety of school bus passengers[.] and shall include provisions requiring periodic refurbishment of school buses over ten years old."

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 19, 1986.)

Notes

1. Prior to amendment "to" appeared here.
2. Prior to amendment "the provision" appeared here.
3. Underscoring missing.