

ACT 258

S.B. NO. 1083

A Bill for an Act Relating to Transportation of School Children.

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

SECTION 1. The legislature finds and determines that student transportation costs have escalated in recent years, prompting the legislature to man-

date comprehensive assessments and reports relating to the transportation of school children. In November 2012, the Student Bus Transportation Study Final Report was received by the department of education from its consultant, Management Partnership Services, Inc., confirming that student transportation costs have escalated unacceptably in recent years. The final report cited statutory compensation requirements as a constraint on contracting for bus services. The report noted that statutory wording has the most direct impact on system efficiencies, as it establishes a floor for bus driver salaries.

Consequently, the legislature further finds and determines that the statutory provisions governing the transportation of school children and contracts for such transportation should be revised in a manner that will enable the department of education to implement the recommendations of the department's consultants to restructure practices, policies, and procedures relating to requests for proposals, thereby providing greater flexibility in determining market values while maintaining the integrity of the procurement process through specifications in contract negotiation.

The purpose of this Act, therefore, is to exempt contracts providing student transportation services from statutory requirements for labor costs.

SECTION 2. Section 103-55, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) This section shall apply to all contracts to perform services in excess of \$25,000, including contracts to supply ambulance service and janitorial service.

This section shall not apply to:

- (1) Managerial, supervisory, or clerical personnel.
- (2) Contracts for supplies, materials, or printing.
- (3) Contracts for utility services.
- (4) Contracts to perform personal services under paragraphs (2), (3), (12), and (15) of section 76-16, paragraphs (7), (8), and (9) of section 46-33, and paragraphs (7), (8), and (12) of section 76-77.
- (5) Contracts for professional services.
- (6) Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions.
- (7) Contracts to provide transportation services for school children.
- ~~(7)~~ (8) Contracts with nonprofit institutions.”

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

SECTION 4. This Act shall take effect upon its approval.

(Approved July 2, 2013.)