

Honolulu, Hawaii

MAR 16 2006

RE: H.B. No. 2215

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Transportation and Government Operations,
to which was referred H.B. No. 2215 entitled:

"A BILL FOR AN ACT RELATING TO CONCESSIONS ON PUBLIC
PROPERTY,"

begs leave to report as follows:

The purpose of this measure is to assist smaller concessionaires by giving the State the flexibility to accept legal tender and financial instruments other than performance bonds as security for the performance of their concession contracts.

Your Committee received testimony in support of this measure from the Department of Transportation and the Airport Concessionaires Committee.

Your Committee finds that in the wake of the events of September 11, 2001, bonds have become increasingly expensive and difficult to obtain for concessionaires. This measure provides concessionaires with flexibility to reduce costs that are presently associated with financial security requirements.

As affirmed by the record of votes of the members of your Committee on Transportation and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2215, and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Transportation and
Government Operations,


LORRAINE R. INOUE, Chair



