HOUSE RESOLUTION

URGING THE DEPARTMENT OF TRANSPORTATION TO RECONSIDER ITS LEASE PRICES WITH RENTAL CAR AGENCIES AT MOLOKAI AIRPORT.

WHEREAS, the Department of Transportation has statutory authority to enter into leases with any person to confer the privilege of supplying services at airports owned or controlled by the Department, including Molokai Airport; and

WHEREAS, the Department is authorized to fix charges, rentals, and fees for the privileges or services granted, provided that the charges are reasonable and uniform for the same class of privilege or service; and

WHEREAS, two major rental car agencies that have been operating at Molokai Airport intend to cease operations this year because the Department plans to raise their leases to \$50,000 for five years, and a third major rental car agency is exploring the possibility of entering into a lease at the airport; and

WHEREAS, the lease increase will cause instability in an already unstable and floundering tourism market; and

WHEREAS, the impending closure of the two major rental car agencies will create an immediate loss of infrastructure for Molokai's tourism industry, since car rentals are the only means of transportation for tourists on the island; and

WHEREAS, the possible entry of a third major car rental agency in the wake of the departure of the other two agencies will transform the market for car rental services at the airport into a monopoly, allowing the third agency to charge accordingly for its services; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2009, that the Department of Transportation is urged to reconsider its lease prices with rental car agencies at Molokai

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 Airport to ensure the stability and availability of reasonably priced car rental services on the island; and

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BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Director of Transportation.

OFFERED BY:

John M. M. M. Sono

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