

LINDA LINGLE
GOVERNOR



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IN REPLY REFER TO:

March 23, 2009

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

COMMITTEE ON TRANSPORTATION

SENATE BILL NO. 1224, S.D.1,
RELATING TO AIRPORT CONCESSIONS.

The Department of Transportation (DOT) **supports** this bill.

In these uncertain economic times, it is likely that conditions will be encountered that pose hardship to concessions at State airports.

While the DOT has been proactively including provisions which allow for adjustments to concession contracts under certain circumstances as new concession contracts are issued, there still remain concession contracts which have not been updated.

The DOT believes this bill treats the entire class of concession contracts fairly.



Honorable Joseph Souki, Chair
Committee on Transportation
House of Representatives
State of Hawaii

Hearing: March 23, 2009

Re: SB 1224, SD1 – Relating to Airport Concessions

Chair Souki and Honorable Committee Members:

My name is Alan Yamamoto and I am the District General Manager for the Hawaiian Islands with HMSHost.

I support this bill with amendments proposed by the Airports Concessionaires Committee.

While we are grateful that this bill attempts to be fair by providing relief to airport concessionaires that other concessionaires are now receiving especially during these harsh economic times, this bill has various short comings. Some of the short comings are:


1. There is no assurance relief will be provided in a timely manner;
2. The bill imposes requirements for relief that other concessions do not have to meet and yet they are receiving relief. These provisions are discriminatory and not fair;
3. If the DOT refuses to grant adequate relief to the concession similar to what the DOT is granting to other concessions, this bill does not allow the concession to ask for a rebid (perhaps someone is willing to pay more to DOT) without penalty.

In view of the foregoing, please pass this bill with the amendments proposed by the Airport Concessionaires Committee.

Thank you for allowing us to testify.

HMSHost Corporation
Hawaiian Islands

By


Alan Yamamoto
District General Manager

Honorable Joseph Souki, Chair
Committee on Transportation
House of Representatives
State of Hawaii

Hearing: March 23, 2009

Re: SB 1224, SD1 - Relating to Airport Concessions

Chair Souki and Honorable Committee Members:

My name is Aleta Lindsay and I am Vice President, Business Development with International Currency Exchange (ICE).

I support this bill with amendments proposed by the Airports Concessionaires Committee.

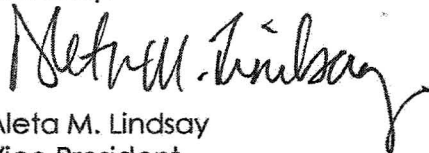
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3. If the DOT refuses to grant adequate relief to the concession similar to what the DOT is granting to other concessions, this bill does not allow the concession to ask for a rebid (perhaps someone is willing to pay more to DOT) without penalty.

In view of the foregoing, please pass this bill with the amendments proposed by the Airport Concessionaires Committee.

Thank you for allowing me to testify.

Sincerely,



Aleta M. Lindsay
Vice President



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