LATE TESTIMONY

AIRLINES COMMITTEE OF HAWAII



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March 12, 2012

Honorable Joseph M. Souki, Chair Honorable Linda Ichiyama, Vice Chair House Committee on Transportation Hawaii State Capitol, Honolulu, HI 96813

Re: SB 2874 SD1— Relating to Airport Revenue – Support Intent Hawaii State Capitol, Room 309 – 9:00 a.m.

Aloha Chair Souki, Vice Chair Ichiyama, and Members of the Committee:

The Airlines Committee of Hawaii* (ACH), which is made up of 20 signatory air carriers that underwrite the State Airport System supports the intent of SB 2874 SD1 — Relating to Airport Revenue, which expresses the desire to increase the flexibility and marketability in the disposition of airport lands, with the ultimate objective of maximizing the amount of non-aeronautical rent to the Department of Transportation — Airports Division (DOT-A).

Currently, the DOT-A is limited from directly negotiating a long-term lease with non-aeronautical tenants, resulting in short term leases with minimal investments by the tenants, and materially lower rental income to the DOT-A. Due to the self-sustaining requirement of the airports system and the residual obligation of the signatory air carriers, the ACH commends and supports the DOT-A in their pursuit of maximizing the revenue streams from their land, buildings and other assets. This business-like mindset will help to ensure a financially stable airports system, which is critical for the air carriers as well as the state economy.

As always, we are grateful for the opportunity to provide input on this matter.

Sincerely,

Blaine Miyasato ACH Co-chair Matthew Shelby ACH Co-chair

^{*}ACH members are Air Canada, Air New Zealand, Air Pacific, Alaska Airlines, All Nippon Airways, American Airlines, China Airlines, Continental Airlines, Delta Air Lines, Federal Express, go! Mokulele, Hawaiian Airlines, Japan Airlines, Korean Air, Philippine Airlines, Qantas Airways, United Airlines, United Parcel Service, US Airways, and Westjet.