

JAN 17 2014

S.B. NO. 2727

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Act 46, Session Laws of Hawaii 2012, provides
2 the department of transportation with the authority and
3 discretion to reach an agreement with an airport concessionaire
4 to extend the term of the concession and to modify and amend
5 terms of any concession contract, lease, or permit in exchange
6 for revenue-enhancing improvements that are made or paid for by
7 the concessionaire. Act 46 expires on July 1, 2014.

8 The legislature finds that modernization and improvements
9 at Hawaii's airport concessions have not kept pace with
10 passenger needs and demands. A recent study by the State
11 indicates that various areas at our public airports are lacking
12 in concession space by as much as forty per cent, and that
13 Hawaii's public airports are not maximizing concession revenues.

14 The legislature further finds that it is important that the
15 department of transportation and concessionaires seek to work
16 together in achieving the improvements contemplated in an
17 expeditious but fair and equitable manner, including amendments



1 extending the term of a concession lease or permit at the
2 department of transportation's discretion.

3 The purpose of this Act is to extend the sunset date of Act
4 46 to allow the department of transportation more time to
5 culminate lease negotiations and reach agreement with
6 concessionaires.

7 SECTION 2. Act 46, Session Laws of Hawaii 2012, is amended
8 by amending section 6 to read as follows:

9 "SECTION 6. This Act shall take effect on July 1, 2012,
10 and shall be repealed on [~~July 1, 2014.~~] December 31, 2014."

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 Statutory material to be repealed is bracketed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

13 SECTION 4. This Act shall take effect on June 30, 2014.
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S.B. NO. 2121

Report Title:

Department of Transportation; Airport; Concessions

Description:

Extends the sunset date of Act 46, SLH 2012, to authorize the Department of Transportation to extend the term of an airport concession, and to modify and amend the terms of any concession contracts, leases, and permits in exchange for revenue-enhancing improvements that are made or paid for by the concession.

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