

Honolulu, Hawaii

April 28, 2017

RE: H.B. No. 997
H.D. 2
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 997, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONCESSIONS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to provide flexibility in the granting of concession terms of up to 15 years and to permanently authorize the Department of Transportation to pursue and enter into concession contracts and other arrangements by negotiation.

Your Committee on Conference finds that Hawaii's airports are often the first and last impression that visitors have of the State. Imparting a positive impression of Hawaii is important for the State's tourism based economy as visitors with a positive impression are more likely to return for future visits and recommend Hawaii to others as a travel destination. Currently, airport concession contracts are awarded to the highest bidder without consideration of



the quality or variety of service to be provided. Authorizing the Department of Transportation to enter into and award airport concession contracts through negotiation rather than simply to the highest bidder but in its judgment to a responsible person or entity providing the best value to the State that will result in higher quality services in the best interests of our state airports, which in turn will provide visitors with better first and last impressions of Hawaii.

Your Committee on Conference has amended this measure by:


- (1) Making clarifying language in keeping with the purpose and intent of this measure and various provisions of chapter 102, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 997, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 997, H.D. 2, S.D. 2, C.D. 1.

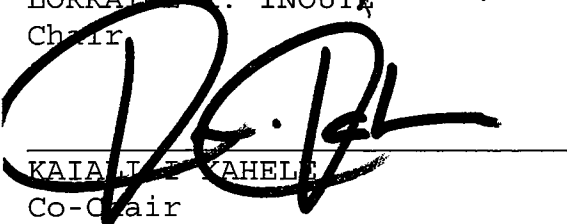
Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE


ON THE PART OF THE HOUSE




 LORRAINE P. INOUE
 Chair



 KAIULANI KHAHELE
 Co-Chair



 HENRY J.C. AQUINO
 Co-Chair



 SEAN QUINLAN
 Co-Chair



Hawaii State Legislature
Record of Votes of a
Conference Committee

CCR 167

Bill / Concurrent Resolution No.: HB 997, HD 2, SD 2	Date/Time: 6/26/17 10:16 AM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
INOUYE, Lorraine R., Chr.	✓				AQUINO, Henry J.C., Co-Chr.	✓			
KAHELE, Kaiali'i, Co-Chr.	✓				QUINLAN, Sean, Co-Chr.	✓			
DELA CRUZ, Donovan M.				✓	CHOY, Isaac W.				✓
					TOKIOKA, James Kunane	✓			
					MCDERMOTT, Bob	✓			
TOTAL	2			1	TOTAL	4			1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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