

---

---

# A BILL FOR AN ACT

RELATING TO CONCESSIONS ON PUBLIC PROPERTY.

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

1           SECTION 1. The legislature finds that section 102-2,  
2 Hawaii Revised Statutes, appropriately provides that concessions  
3 on public property are to be granted by sealed top-dollar bid  
4 unless a justifiable request is made to the legislature to allow  
5 a particular concession to be awarded by negotiation, including  
6 a request for proposal process, tailored to the unique  
7 circumstances of the particular concession, and supervised and  
8 approved by state and county attorneys in accordance with  
9 applicable laws and ordinances. It is important that the  
10 legislature understands the type of concession to be negotiated  
11 to avoid possible conflicts and problems among similar types of  
12 concessions.

13           Section 102-2, Hawaii Revised Statutes, also allows some  
14 concessions to be negotiated because a person or entity offering  
15 the most money may not be the best suited or qualified to serve  
16 the needs of the public, including the enhancement of customer



1 and visitor experiences. Thus, cost should not be the  
2 controlling factor in awarding some concessions.

3 The legislature finds there is a need to provide more  
4 historical and cultural information to address the needs of, and  
5 to enhance, visitor experiences within the state capitol  
6 district and the increasing number of tourists and residents  
7 visiting this district each year.

8 The purpose of this Act is to allow for the award by  
9 negotiation of contracts for the operation of concessions that  
10 provide historical and cultural information, goods, and services  
11 to visitors and residents within the state capitol district.

12 SECTION 2. Section 102-2, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14 "(b) The bidding requirements of subsection (a) shall not  
15 apply to concessions or space on public property set aside for  
16 the following purposes:

- 17 (1) For operation of ground transportation services and  
18 parking lot operations at airports, except for motor  
19 vehicle rental operations under chapter 437D;
- 20 (2) For lei vendors;
- 21 (3) For airline and aircraft operations;



- 1 (4) For automated teller machines and vending machines,  
2 except vending machines located at public schools  
3 operated by blind or visually handicapped persons in  
4 accordance with section 302A-412;
- 5 (5) For operation of concessions set aside without any  
6 charge;
- 7 (6) For operation of concessions by handicapped or blind  
8 persons; except concessions operated in the public  
9 schools by blind or visually handicapped persons in  
10 accordance with section 302A-412;
- 11 (7) For operation of concessions on permits revocable on  
12 notice of thirty days or less; provided that no such  
13 permits shall be issued for more than a one year  
14 period;
- 15 (8) For operation of concessions or concession spaces for  
16 a beach service association dedicated to the  
17 preservation of the Hawaii beach boy tradition,  
18 incorporated as a nonprofit corporation in accordance  
19 with state law, and whose members are appropriately  
20 licensed or certified as required by law;



- 1           (9) For operation of concessions at county zoos, botanic  
2           gardens, or other county parks which are  
3           environmentally, culturally, historically, or  
4           operationally unique and are supported, by nonprofit  
5           corporations incorporated in accordance with state law  
6           solely for purposes of supporting county aims and  
7           goals of the zoo, botanic garden, or other county  
8           park, and operating under agreement with the  
9           appropriate agency solely for such purposes, aims, and  
10          goals;
- 11          (10) For operation of concessions that furnish goods or  
12          services for which there is only one source, as  
13          determined by the head of the awarding government  
14          agency in writing that shall be included in the  
15          contract file;
- 16          (11) For any of the operations of the Hawaii health systems  
17          corporation and its regional system boards;
- 18          (12) For airport operation of concessions;
- 19          (13) For the stadium authority operation of concessions  
20          providing electronic communication services;



- 1 (14) For the stadium authority operation of concessions  
2 consisting solely of advertising; [~~and~~]  
3 (15) For the operations of the natural energy laboratory of  
4 Hawaii authority~~[-]~~; and  
5 (16) For the operation of concessions that provide  
6 historical and cultural information, goods, and  
7 services within the state capitol district."

8 SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2019.



**Report Title:**

Concessions; Public Property; Bids; Proposals

**Description:**

Exempts from the bidding requirements of Chapter 102, HRS, concessions on public property whose operations provide historical and cultural information, goods, and services within the State Capitol District. (HB1582 HD1 PROPOSED)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

