



AIRPORT CONCESSIONAIRES COMMITTEE

Honorable Donovan Dela Cruz, Chair
Ways and Means Committee
Senate
State of Hawaii

Hearing: April 3, 2019; 10:25 am, Room 211

Re: H.B. 1582, HD1 – Relating To Concessions on Public Property

Dear Chair Dela Cruz and Honorable Members of the Committee:

My name is Peter Fithian and I am the Legislative Chair for the Airports Concessionaires Committee whose membership consists of the major concession operators at Hawaii's public airports. Airport concessions have historically contributed about 50% to 75% of the operating revenues for Hawaii's airport system which as you know is special funded.

Our Committee supports this bill.

We see the many hundreds of tourists who visit the Capitol District area each year and we believe such a concession will be very helpful in explaining and promoting Hawaii's history and culture while serving the needs of our visitors and residents visiting the area.

Our Committee was previously concerned about the original version of this bill which sought to change the legislative process of seeking the Legislature's permission and approval to be on the list of concessions allowed to negotiate and avoid the top-dollar sealed bid process.

HD1 does not alter the existing process which in our opinion should not be altered since it requires disclosure and approval of the Legislature during the public hearing process. This existing process seeks to educate the public and thus avoid conflicts with existing concessions who may be negatively impacted.

The current process in our opinion has worked well for many many years and provides the concessions approved by the Legislature with the flexibility to how best to advertise, negotiate and select the right person/entity to operate its concession with its unique needs and goals.

Please pass this bill. Thank you for allowing us to testify.