

**HB-1432-SD-1**

Submitted on: 4/4/2022 9:54:42 AM

Testimony for JDC on 4/5/2022 10:05:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Thomas Copp	Testifying for Palekaiko Beachboys Club	Oppose	Written Testimony Only

Comments:

Aloha, Honorable Chairs Rhoads and Dela Cruz, Vice Chairs and Members of the Committees, it is Palekaiko Beachboys Club position that the proposed amendments in HB1432 exempting certain concessions or concession spaces from the bidding requirements of HRS Chapter 102 does not serve the public’s best interest for the following reasons:

1) It is not necessary to provide an exemption from the bidding requirements of HRS 102 for concessions or concession spaces on public property for “beach or ocean-related recreational services“ because HRS 102-3 Qualification of bidders, states that the officer charged with letting of the contract [s]hall satisfy oneself of the prospective bidder's financial ability, experience and competence to carry out the terms and conditions of any contract that may be awarded.”

Also, HB1432 may have unintended consequences in granting government officials unbridled discretion in deciding who is to be awarded concessions or concession spaces providing for “beach or ocean-related recreational services“. With the absence of any established criteria or guidelines as to the legal basis such concessions or concession spaces shall be awarded creates a situation ripe for abuse and favoritism.

2) HB1432 proposed amendment to HRS 102-2(b)(9) is ambiguous and vague as to exactly what “beach or ocean-related recreational services” are being addressed in this bill.

3) HB1432 proposed amendment to HRS 102-2(b)(9) may also give City officials unbridled discretion in determining on whether nonprofit beachboy organizations (that are exempt under HRS 102- 2(b)(8)) are to compete with for profit entities for concessions or concessions spaces providing for “beach or ocean-related recreational services” on beach park property under the city’s jurisdiction.

Finally, due to the high level of the public’s distrust of government officials, this is not the time for state legislators to grant more discretion to government officials as would occur with the passing of HB1432 and the proposed amendment for concessions or concessions spaces providing for “beach or ocean-related recreational services”.

Thank you for the opportunity in letting us submit our comments in OPPOSING HB1432.



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**LATE**

**HEARING BEFORE THE SENATE COMMITTEES ON  
JUDICIARY and WAYS AND MEANS  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211  
TUESDAY, APRIL 5, 2022 AT 10:05 A.M.**

To The Honorable Senator Rosalyn H. Baker, Chair  
The Honorable Senator Stanley Chang, Vice Chair  
Members of the committee on Commerce and Consumer Protection  
To The Honorable Senator Donovan M. Dela Cruz, Chair  
The Honorable Senator Gilbert S.C. Keith-Agaran, Vice Chair  
Members of the committee on Ways and Means

#### **COMMENTS ON HB1432 HD1 SD1 RELATING TO CONCESSIONS ON PUBLIC PROPERTY**

The Maui Chamber of Commerce would like to **comment on HB1432 HD1 SD1** which increases the maximum term of a concession; exempts concessions for beach or ocean-related recreational services from sealed bid requirements, with certain conditions; provides that a county director of parks and recreation has sole discretion to designate which county parks are environmentally, culturally, historically, or operationally unique for purposes of determining whether a concession at the park is exempt from the sealed bid requirements; expands the exemption for concessions at county zoos, botanic gardens, or county parks that are designated by the respective county director of parks and recreation, in the director's sole discretion, as environmentally, culturally, historically, or operationally unique; provided that the concessions are awarded to responsible offerors whose proposals are the most advantageous, rather than solely to certain nonprofit corporations.

The Chamber supports the intent to ensure that concessions are awarded to responsible offerors whose proposals are the most advantageous for the community and its programs. We don't feel that such a decision should be solely vested in any one individual as the reach of the decision is very broad. Therefore, we want to ensure there is more input to determine the best possible solution and to ensure that larger for-profit entities are not consistently outbidding local nonprofits, all uses be considered, and we have a more even playing field when considering the bids on concessions in public parks.

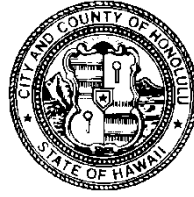
Mahalo for the opportunity to provide **comments on HB1432 HD1 SD1**.

Sincerely,

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

RICK BLANGIARDI  
MAYOR



ANDREW T. KAWANO  
DIRECTOR

CARRIE CASTLE  
DEPUTY DIRECTOR

TESTIMONY OF ANDREW T. KAWANO  
DIRECTOR OF BUDGET AND FISCAL SERVICES  
CITY AND COUNTY OF HONOLULU  
BEFORE THE SENATE COMMITTEE ON JUDICIARY AND THE SENATE  
COMMITTEE ON WAYS AND MEANS  
**April 5, 2022, 10:05 AM, Conference Room 211 and Videoconference**

TO: The Honorable Karl Rhoads, Chair  
and Members of the Senate Committee on Judiciary, and  
The Honorable Donovan M. Dela Cruz, Chair  
and Members of the Senate Committee on Ways and Means

RE: HOUSE BILL 1432, HD1, SD1 RELATING TO CONCESSIONS ON PUBLIC  
PROPERTY

The Department of Budget and Fiscal Services, City and County of Honolulu (City), **offers comments** on House Bill (SB) 1432, HD1, SD1 Relating to Concessions on Public Property.

The City does support the idea of a request for proposals process for concessions, but more clarity is needed.

If a request for proposals process allows for specific concessions to be exempt from the bidding process, the other sections of HRS Chapter 102 only appear to apply to “bids” or “bidders.” This ambiguity will create confusion in the application of the newly proposed request for proposals process. There are also no parameters that outline the request for proposals process, similar to those outlined in HRS Chapter 103D.

For the reasons stated above, the City offers its comments on House Bill 1432, HD1, SD1.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget & Fiscal Services' Division of Purchasing at 808-768-5535 or [bfspurchasing@honolulu.gov](mailto:bfspurchasing@honolulu.gov).