HOUSE OF REPRESENTATIVES TWENTY-SEVENTH LEGISLATURE, 2014 STATE OF HAWAII H.B. NO. 1811 H.D. 1 S.D. 1 C.D. 1

## A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

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

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

The legislature further finds that it is important that the department of transportation and concessionaires seek to work together in achieving the improvements contemplated in an expeditious but fair and equitable manner, including amendments extending the term of a concession lease or permit at the department of transportation's discretion.

The purpose of this Act is to extend the sunset date of Act 46 to allow the department of transportation more time to negotiate and reach an agreement with concessionaires regarding leases or permits.

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

"SECTION 6. This Act shall take effect on July 1, 2012, and shall be repealed on [July 1, 2014.] July 1, 2015."

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 Statutory material to be repealed is bracketed and stricken.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

SECTION 4. This Act shall take effect on June 30, 2014.

## Report Title:

Department of Transportation; Airport; Concessions

## Description:

Extends Department of Transportation's authority 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. (HB1811 CD1)

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