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## 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. Chapter 102, Hawaii Revised Statutes, is 2 amended by adding a new section to be appropriately designated 3 and to read as follows: 4 Lease renewals. (a) Any concession leased, let, 5 licensed, rented out, or otherwise disposed of either by 6 contract, lease, license, permit, or any other arrangement, may, 7 at the end of the initial term, be negotiated and renewed for an additional term without the issuance of a public notice for bid; 8 9 provided that the renewed term shall not exceed sixty-five 10 years." SECTION 2. Section 102-2, Hawaii Revised Statutes, is 11 12 amended by amending subsection (a) to read as follows: 13 Except as otherwise specifically provided by law, no 14 concession or concession space shall be leased, let, licensed,
- 15 rented out, or otherwise disposed of either by contract, lease,
- 16 license, permit or any other arrangement, except under contract
- 17 let after public notice for sealed bids in the manner provided
- 18 by law; provided that the duration of the grant of the 2012-0517 SB SMA.doc



- 1 concession or concession space shall be related to the
- 2 investment required but in no event to exceed [fifteen years;]
- 3 sixty-five years; provided further that and subject to approval
- 4 by county council resolution, the [fifteen-year] sixty-five year
- 5 limit shall not apply to nonprofit corporations organized
- 6 pursuant to chapter 414D."
- 7 SECTION 3. This Act does not affect rights and duties that
- 8 matured, penalties that were incurred, and proceedings that were
- 9 begun before its effective date.
- 10 SECTION 4. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

2012-0517 SB SMA.doc

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# S.B. NO. 2379

### Report Title:

Concessions on Public Property

### Description:

Increases the terms for contracts for concessions to sixty-five years. Allows contracts for concessions, at the end of the initial term, to be negotiated and renewed for an additional term without the issuance of a public notice for bid; provided that the renewed term shall not exceed sixty-five years.

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