

STAND. COM. REP. NO. 3446

Honolulu, Hawaii

**MAR 24 2022**

RE: H.B. No. 1953  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 1953, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONCESSIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to provide the Department of Transportation with more flexibility and discretion to address substantial hardship situations that impact airport concession contracts.

Your Committee received testimony in support of this measure from the Airport Concessionaires Committee and one individual. Your Committee received testimony in opposition to this measure from the Department of Transportation and Airlines Committee of Hawaii.

Your Committee finds that the Department of Transportation needs flexibility and discretion to grant relief to airport concessions in times of hardship such as during the coronavirus disease 2019 pandemic. The Department of Transportation has not been able to grant consistent relief to all airport concessions during this pandemic leading to unfair treatment. Airport concession revenue is critical to the finances of airports and in times of crisis, airport concessions cannot appeal to the main public due to their location. The purpose of this measure is to



give the Department of Transportation greater flexibility and discretion to grant relief and leeway to consider various relief opportunities.

Your Committee has amended this measure by:

- (1) Specifying that the modification of contract terms applies to any type of contract, lease, holdover, or revocable permit;
- (2) Deleting language that would have established contract term requirements for airport concessions; and
- (3) Amending section 1 to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1953, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1953, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,



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CHRIS LEE, Chair



