

ACT 14

An Act Amending Act 245, Session Laws of Hawaii 1959, Relating to Requirements of Bidding of All Licenses, Permits, Leases and Other Agreements Whereby a Governmental Agency Rents to Private Persons the Right to Operate Concession for Profits.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is hereby declared to be an urgent measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency and necessity. Prior to passage of Act 245, Session Laws of Hawaii 1959, government agencies were empowered to grant by private negotiation concessions for profit on government land to private persons. For example, the Hawaii Aeronautics Commission granted concession rights to approximately fifty ground operators (taxi operators) at the several airports. In each instance the number of such concessions or concession spaces was determined by the need therefor. Act 245, Session Laws of Hawaii 1959, by requiring that all such concessions or concession spaces be awarded by bid, deprives most of the incumbent concessionaires from having their licenses, leases or contracts renewed, however worthwhile their performances may be. Moreover, there is danger that such a system of awarding all concessions or concession spaces by bid could result in a monopoly. Such effects were not intended by the Legislature. The purpose of this Act is to limit the requirement of bidding only to exclusive concessions and concession spaces, thereby protecting the livelihood of the many people whose licenses or contracts with said government agencies have already expired or will soon expire, and who would not be able to otherwise compete for such concessions or concession spaces.

SECTION 2. Section 1 of Act 245, Session Laws of Hawaii 1959, is hereby amended to read as follows:

“No concessions or concession space to sell goods, wares, merchandise and services or to operate restaurants, cocktail lounges, soda fountains and parking areas in any building or on any land owned or under the jurisdiction of the State or any county or any independent board, commission, bureau or agency of the State or of the various counties, except concessions or space for taxi or other ground transportation services at airports other than Honolulu International Airport, concessions or space for lei vendors, airline operations and coin operated vending machines, but not including coin operated insurance vending machines, and except also concessions or space set aside without any charge or for the use of handicapped persons, or blind persons or any

department, bureau, organization or municipal or political subdivision of the federal, state, municipal or county governments, shall be leased, rented out, let, assigned or disposed of either by contract, lease, license, permit or any other arrangement to any private person, firm, or corporation, except under contract let after public advertisement for sealed tenders, in the manner provided by law.”

SECTION 3. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **S.B. 240.**
