
A BILL FOR AN ACT

RELATING TO AN AIRPORT AUTHORITY.

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

1 SECTION 1. The legislature finds that Hawaii's air
2 transportation planning, management, and development functions
3 are currently spread out among a number of agencies, including
4 the department of transportation's airports division, the
5 department of health with respect to environmental concerns, and
6 the office of Hawaiian affairs when ceded lands issues arise.

7 This multijurisdictional situation has resulted in
8 inefficiencies and conflicts that are difficult to resolve
9 between agencies. In addition, this situation sometimes leads
10 to conflicting plans of action among the different agencies
11 seeking to implement differing goals.

12 The economic well being of the state depends in part on the
13 efficient use of all of its air transportation resources, which
14 will enhance and complement efforts to revitalize and sustain
15 Hawaii's economy. The legislature believes that coordinated
16 planning and development of air transportation would be
17 implemented more effectively by a single entity having overall
18 consolidated jurisdiction.



1 The legislature finds that the establishment of an airport
2 authority will assist in the following important statewide
3 objectives:

4 (1) Increasing security for the state;

5 (2) Providing an appropriate forum for all affected
6 interests;

7 (3) Increasing efficiency in land use and related lease
8 processes;

9 (4) Improving administrative efficiency by streamlining
10 administrative processes;

11 (5) Coordinating environmental issues affecting the
12 airports, particularly relating to alien invasive
13 species. An airport authority will be able to oversee
14 everything that enters the state by air, thereby
15 allowing that entity to serve as the agency
16 responsible for comprehensive alien invasive species
17 protection and control; and

18 (6) Increasing economic opportunities of the state;

19 (7) Making possible more responsive planning;

20 (8) Increasing financial flexibility; and

21 (9) Increasing responsiveness to customer needs and
22 economic demands.



1 The legislature finds that the rational allocation and
2 administration of scarce and increasingly valuable airport
3 resources through the establishment of an airport authority is
4 vital for the well being of the people and the economy of the
5 state.

6 Accordingly, the purpose of this Act is to establish the
7 State of Hawaii airport authority, an independent public entity
8 to set statewide policy on all matters relating to airports in
9 Hawaii, and to transfer the functions, duties, and powers
10 exercised by the department of health and department of
11 transportation over airports to the Hawaii airport authority.

12 It is the intent of the legislature that the functions,
13 duties, and staff of the departments and agencies currently
14 charged with the responsibilities to be administered by the
15 airport authority will be eventually transferred to this
16 authority. Because of the complexities involved with such a
17 transfer, however, this Act establishes the authority and its
18 board and also creates a temporary airport authority task force
19 within the office of the governor to draft legislation to
20 implement this Act.



1 SECTION 2. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER

5 STATE OF HAWAII AIRPORT AUTHORITY

6 § -1 **Definitions.** As used in this chapter, unless the
7 context indicates otherwise:

8 "Administrator" means the administrator of the State of
9 Hawaii airport authority.

10 "Aeronautics" shall have the same meaning as defined in
11 section 261-1.

12 "Air navigation facility" shall have the same meaning as
13 defined in section 261-1.

14 "Airport" means any area of land or water that is used, or
15 intended for use, for the landing and taking-off of aircraft,
16 and any appurtenant areas that are used, or intended for use,
17 for airport buildings or other airport facilities or rights-of-
18 way, including approaches, together with all airport buildings
19 and facilities located thereon.

20 "Airport authority" means the State of Hawaii airport
21 authority.



1 § -2 **Airport authority; establishment; members and**
2 **administrator.** (a) There is established the State of Hawaii
3 airport authority, which shall be a body corporate and a special
4 political subdivision of the State for the purposes of this
5 chapter. The airport authority is placed within the department
6 of budget and finance for administrative purposes only.

7 (b) The airport authority shall consist of seven voting
8 members. The administrator shall be an ex-officio voting member
9 of the airport authority. Two members shall be appointed by the
10 governor pursuant to section 26-34, except as specifically
11 provided to the contrary in this section. Two members shall be
12 appointed by the governor from a list of names
13 provided by the senate; and two members shall be appointed by
14 the governor from a list of names provided by the
15 house of representatives; provided that:

16 (1) The names on the lists provided by the senate and the
17 house of representatives shall be selected from lists
18 of prospective appointees recommended by the county
19 councils;

20 (2) The governor shall stagger the terms of those members
21 appointed from lists provided by the senate and the



1 house of representatives so there will always be one
2 member from each county in office at all times; and

3 (3) Those members appointed by the governor from lists
4 provided by the senate and the house of
5 representatives shall be exempt from senate
6 confirmation.

7 All members, except for the administrator, shall continue in
8 office until their respective successors have been appointed
9 and, if required, confirmed by the senate. The airport
10 authority shall establish bylaws providing for the automatic
11 succession of a deputy administrator to the vacant post of
12 administrator on an interim basis and until a permanent
13 administrator is appointed. Except as provided in this chapter,
14 no member appointed under this section shall be an officer or
15 employee of the State or the counties.

16 (c) The airport authority shall be headed by a single
17 executive to be known as the administrator of the State of
18 Hawaii airport authority. The administrator:

19 (1) Shall be appointed by the vote of not less than four
20 members of the airport authority, excluding the
21 administrator;

22 (2) Shall be a voting member of the airport authority; and



1 (3) May be removed from office by a vote of not less than
2 four members of the airport authority, excluding the
3 administrator.

4 The administrator shall have such powers as are described in
5 this chapter and as may be delegated by the members of the
6 airport authority. The administrator, with the majority consent
7 of a quorum, may appoint such deputy administrators as the
8 administrator deems appropriate. Each deputy administrator
9 shall exercise those powers that may be delegated by the
10 administrator, whether or not in the administrator's presence.
11 The administrator may hire staff and employees to fill positions
12 that may be provided for in the airport authority's annual
13 budget. The functions and duties of all positions, and the
14 discharge of any staff or employee hired by the administrator,
15 shall be provided for in the bylaws of the airport authority.

16 (d) The number of members necessary to constitute a quorum
17 to do business shall consist of a majority of all members who
18 have accepted nomination to the airport authority, and have been
19 confirmed and qualified as members of the airport authority.

20 § -3 Powers; generally. (a) Except as otherwise
21 provided in this chapter, the airport authority:



- 1 (1) Shall exercise power and control over airports, air
- 2 navigation facilities, buildings, and other facilities
- 3 belonging to, or controlled by, the airport authority
- 4 to provide for:
- 5 (A) The landing, taking-off, and servicing of
- 6 aircraft, and the loading and unloading of
- 7 passengers and cargo;
- 8 (B) The comfort, accommodation, and convenience of
- 9 air travelers; and
- 10 (C) Any matters related to the foregoing;
- 11 (2) Shall:
- 12 (A) Exercise general supervision over aeronautics
- 13 within the state and, in connection therewith,
- 14 encourage, foster, and assist in the development
- 15 of aeronautics in the state, and encourage the
- 16 establishment of airports and air navigation
- 17 facilities;
- 18 (B) Cooperate with and assist the federal government
- 19 and other persons in the development of
- 20 aeronautics; and



- 1 (C) Seek to coordinate the aeronautical activities of
- 2 the State with those activities of the federal
- 3 government;
- 4 (3) May use the facilities and services of any department,
- 5 board, commission, or agency of the State or counties;
- 6 (4) May sue and be sued;
- 7 (5) Shall have a seal and may alter the seal at its
- 8 pleasure;
- 9 (6) May make and execute contracts and all other
- 10 instruments necessary or convenient for the exercise
- 11 of its powers and functions under this chapter;
- 12 (7) Shall establish bylaws for its organization and
- 13 internal management;
- 14 (8) Shall establish bylaws for the adoption of rules and
- 15 shall adopt rules, through the administrator, to
- 16 effectuate this chapter pursuant to chapter 91;
- 17 (9) Shall adopt an annual budget for its operations and
- 18 maintenance program and its capital facilities
- 19 program;
- 20 (10) Shall appoint officers, agents, and employees through
- 21 the administrator; prescribe their duties and
- 22 qualifications; and fix their salaries;



- 1 (11) May own, sell, lease, hold, clear, improve, and
2 rehabilitate real, personal, or mixed property, and
3 assign, exchange, transfer, convey, lease, sublease,
4 or encumber any airport, or any project, improvement,
5 or facility related thereto;
- 6 (12) Shall develop, construct, reconstruct, rehabilitate,
7 improve, alter, or repair, or provide for the
8 development, construction, reconstruction,
9 rehabilitation, improvement, alteration, or repair of,
10 any airport, or any project, improvement, or facility
11 related thereto, and designate a qualified person as
12 its agent for that purpose; and own, hold, assign,
13 transfer, convey, exchange, lease, sublease, or
14 encumber any airport or any project, improvement, or
15 facility related thereto;
- 16 (13) Shall arrange or initiate appropriate action for the
17 planning, replanning, opening, grading, relocating, or
18 closing of streets, roads, roadways, alleys,
19 easements, or other places; the furnishing of
20 facilities; the acquisition of property or property
21 rights; and the furnishing of property, development



- 1 rights, or services in connection with any airport or
2 any project, improvement, or facility related thereto;
- 3 (14) May grant options or renew any lease entered into by
4 it in connection with any project, on terms and
5 conditions as it deems advisable;
- 6 (15) May provide advisory, consultative, training, and
7 educational services; technical assistance; and
8 advice, to any person, either public or private, to
9 carry out the purposes of this chapter, and engage the
10 services of consultants on a contractual basis for
11 rendering professional and technical assistance and
12 advice;
- 13 (16) Shall procure insurance against any loss in connection
14 with its property and other assets and operations, in
15 such amounts and from such insurers as it deems
16 desirable, or provide for self-insurance;
- 17 (17) May accept and receive gifts or grants in any form
18 from any person, public entity, or source; provided
19 that the grants and gifts shall be used for airport
20 authority purposes;
- 21 (18) May pledge or assign all or any part of the moneys,
22 fees, rents, charges, or other revenues and proceeds



1 derived by the airport authority from the proceeds of
2 insurance or condemnation awards for the loss of
3 revenues or incurring of costs and expenses because of
4 any action taken by the airport authority;

5 (19) Shall impose, prescribe, and collect rates, rentals,
6 fees, or charges for the lease, use, and services of
7 its airport facilities at least sufficient to pay the
8 costs of operation, maintenance, and repair, if any,
9 and the required payments of the principal of, and
10 interest on, all bonds issued or assumed by the
11 airport authority and reserves therefor;

12 (20) May engage in economic development programs and
13 contract with the department of business, economic
14 development, and tourism or nonprofit corporations in
15 the furtherance of economic development;

16 (21) May take all actions necessary under emergencies such
17 as hurricanes, tsunamis, and other natural disasters;

18 (22) Shall plan, construct, operate, and maintain all
19 airport facilities in the state, including the
20 acquisition and use of lands necessary to stockpile
21 dredged spoils without the approval of county



- 1 agencies, notwithstanding any other law to the
2 contrary;
- 3 (23) May issue revenue bonds and special facility revenue
4 bonds in its name pursuant to chapter 39 without
5 limitations, but not in excess of such principal
6 amounts as are necessary for its purposes or specified
7 in covenants with bondholders;
- 8 (24) May invest and secure its moneys in accordance with
9 chapters 36 and 38;
- 10 (25) May take public and private property for use in
11 furthering any of the purposes of the airport
12 authority or as otherwise provided by law; provided
13 that all proceedings for condemnation shall be
14 conducted in accordance with chapter 101;
- 15 (26) May provide compensation, allowance, or other
16 assistance to any person for relocation or
17 displacement caused by the acquisition of land for
18 airport purposes;
- 19 (27) May hire or contract law enforcement personnel,
20 notwithstanding any other law to the contrary; and



1 (28) May do any and all things necessary to carry out its
2 purposes and exercise the powers given to it in this
3 chapter.

4 (b) Jurisdiction over aeronautics, airports, including
5 airport functions under the department of transportation's
6 airports division, shall be transferred to the airport authority
7 on July 1, 2007."

8 SECTION 3. **Airport authority task force.** (a) There is
9 created a temporary airport authority task force within the
10 governor's office for administrative purposes, which shall be
11 chaired by the governor or the governor's designee, and the
12 following other members to be appointed by the governor:

- 13 (1) The director of transportation or the director's
14 designee;
- 15 (2) The chairperson of the board of land and natural
16 resources, or the chairperson's designee;
- 17 (3) The director of health or the director's designee;
- 18 (4) The adjutant general or the adjutant general's
19 designee;
- 20 (5) The chairperson of the board of trustees of the office
21 of Hawaiian affairs or the chairperson's designee;



- 1 (6) The director of business, economic development, and
2 tourism or the director's designee;
- 3 (7) Two members from a list of nominees submitted by the
4 president of the senate;
- 5 (8) Two members from a list of nominees submitted by the
6 speaker of the house of representatives;
- 7 (9) Four members, each representing one of the four
8 counties of Hawaii, Maui, and Kauai, and the city and
9 county of Honolulu;
- 10 (10) Representatives of the following federal departments
11 or agencies, who shall be requested to assist the task
12 force:
- 13 (A) The United States Department of Defense;
- 14 (B) The United States Department of Homeland
15 Security;
- 16 (C) The United States Environmental Protection
17 Agency; and
- 18 (D) The Federal Aviation Administration;
- 19 (11) Representatives of labor organizations in Hawaii,
20 including the Hawaii Government Employees Association,
21 and the United Public Workers;



1 (12) Representatives from Hawaii's environmental community;
2 and

3 (13) Other interested public or private stakeholders who
4 the governor believes will be of assistance to the
5 functions of the task force, including members having
6 extensive knowledge, expertise, or experience in such
7 areas as economics, finance, development, land
8 transportation issues, airport planning issues,
9 planning, labor, and related areas.

10 (b) The members of the task force shall serve without
11 compensation, but shall be reimbursed for expenses, including
12 travel expenses, necessary for the performance of their duties.

13 (c) The task force shall be convened by the governor or
14 the governor's designee and shall accomplish the following tasks
15 prior to December 31, 2006:

16 (1) Study the respective missions and roles of the
17 affected departments and agencies to determine which
18 existing departmental missions and roles can be
19 eliminated, and which are legitimate, necessary, and
20 must be preserved, either intact or modified, in the
21 State of Hawaii airport authority;



- 1 (2) Determine and define which new missions and roles, if
2 any, need to be created for the airport authority;
- 3 (3) Determine which departmental agencies and programs
4 must be preserved intact or modified to carry out the
5 new missions and roles as determined in paragraph (2)
6 by designing a new organizational structure for the
7 airport authority;
- 8 (4) Determine what policies need to be established,
9 modified, or eliminated to guide the airport
10 authority;
- 11 (5) Develop duties, responsibilities, and powers of the
12 airport authority;
- 13 (6) Ensure that no federal mandates, requirements, laws,
14 or rules are violated and that no federal funding is
15 jeopardized by the consolidation;
- 16 (7) Provide for the establishment of an airport authority
17 fund;
- 18 (8) Provide for the imposition of fees to be assessed for
19 arriving or departing passengers on air vessels, to be
20 used to fund infrastructure improvements;
- 21 (9) Address civil service issues, and ensure that no
22 current personnel in the affected departments are



1 terminated by appropriate placements or transfers or
2 other means;

3 (10) Address and resolve all other relevant public policy
4 issues and objectives affecting the establishment of
5 an airport authority, including those relating to
6 enhancing security, protecting the environment,
7 improving government efficiency, ensuring effective
8 enforcement, and resolving all other appropriate
9 federal, state, and county issues; and

10 (11) Draft necessary proposed legislation to implement the
11 establishment of a State of Hawaii airport authority.

12 (d) The task force shall perform its duties guided by the
13 following principles:

- 14 (1) Providing user-friendly services;
- 15 (2) Use of best practices in management and operations;
- 16 (3) Use of economies of scale;
- 17 (4) Eliminating duplicative or outmoded functions and
18 activities;
- 19 (5) Enhancing productivity;
- 20 (6) Eliminating unnecessary regulation;
- 21 (7) Redesigning processes to increase efficiency, cut
22 costs, and reduce public inconvenience; and



1 (8) Realizing significant long-term savings.

2 (e) The members of the task force shall be appointed by
3 the governor within thirty days of the effective date of this
4 Act. The governor shall convene the first meeting of the task
5 force no later than thirty days after the last member is
6 appointed.

7 (f) The task force shall submit to the legislature and the
8 governor:

9 (1) An interim report on its progress no later than
10 October 31, 2006; and

11 (2) A final report, including necessary proposed
12 legislation to transfer the functions, powers, duties,
13 lands, personal property, and personnel necessary to
14 accomplish the purposes set forth in this Act, for
15 passage and enactment during the regular session of
16 2007, at least twenty days prior to the convening of
17 the regular session of 2007.

18 SECTION 4. It is the intent of this Act not to jeopardize
19 the receipt of any federal aid nor to impair the obligation of
20 the State or any agency thereof to the holders of any bond
21 issued by the State or by any such agency, and to the extent,
22 and only to the extent, necessary to effectuate this intent, the



1 governor may modify the strict provisions of this Act, but shall
2 promptly report any such modification with reasons therefor to
3 the legislature at its next session thereafter for review by the
4 legislature.

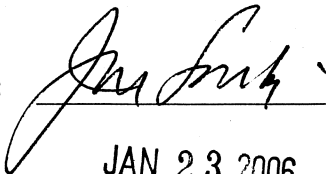
5 SECTION 5. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun, before its effective date.

8 SECTION 6. This Act shall be liberally construed to
9 accomplish the purposes set forth herein. If any provision of
10 this Act, or the application thereof to any person or
11 circumstance, is held invalid, the invalidity shall not affect
12 the other provisions or applications of this Act that can be
13 given effect without the invalid provision or application, and
14 to this end the provisions of this Act are severable.

15 SECTION 7. This Act shall take effect on July 1, 2006,
16 except that section 2 shall take effect on July 1, 2007.

17

INTRODUCED BY:



JAN 23 2006



HB 2243

Report Title:

Airport Authority; Establishment.

Description:

Establishes the State of Hawaii airport authority. Empowers the authority to administer the statewide system of airports. Establishes an airport authority task force to review the consolidation of all airport functions and draft necessary implementing legislation.

