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# HOUSE CONCURRENT RESOLUTION

SUPPORTING THE CONCEPT OF A PUBLIC-PRIVATE JOINT VENTURE TO  
DEVELOP A NEW ADVANCED SIMULATOR AIRLINE TRAINING FACILITY  
IN HAWAII.

1           WHEREAS, Hawaii is highly dependent upon air  
2 transportation, and local air carriers provide more than twelve  
3 thousand direct and indirect jobs to Hawaii residents; and  
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5           WHEREAS, in an increasingly competitive market, Hawaii's  
6 local air carriers must conduct a substantial portion of their  
7 flight training on the United States mainland because advanced  
8 training facilities do not exist in Hawaii, which increases  
9 training costs at least twenty-five percent; and  
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11           WHEREAS, there have been many attempts over the years to  
12 establish an advanced simulator training facility in Hawaii to  
13 serve the local airlines, but these attempts have proven to be  
14 not economically feasible; and  
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16           WHEREAS, now, training demands from other airlines and the  
17 training of ab initio airline cadets (those without prior  
18 experience) could make establishing an advanced simulator  
19 training center capable of training pilots, mechanics,  
20 dispatchers, and air traffic controllers an economically viable  
21 option in Hawaii; and  
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23           WHEREAS, in 2005, Airbus and Boeing sold a record number of  
24 airplanes (1,111 for Airbus and 1,005 for Boeing), with most of  
25 the new aircrafts purchased by China, India, and other Asia-  
26 Pacific countries; and  
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28           WHEREAS, the Chinese passenger market alone is expected to  
29 grow at nearly twice the pace of the United States over the next  
30 twenty years, making it the largest airline market in the world,  
31 with at least three thousand new pilots needed every year for  
32 the foreseeable future; and  
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1           WHEREAS, based on forecast aircraft sales by Boeing and  
2 Airbus, and projected pilot retirements, it is expected that  
3 more than 250,000 new private and commercial pilots will be  
4 needed in the next twenty years; and

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6           WHEREAS, in general, countries with the greatest growth do  
7 not have the infrastructure to train new pilots, and flight  
8 schools in Australia and the United States are the top  
9 competitors to conduct ab initio pilot training for Asia-Pacific  
10 airlines; and

11  
12           WHEREAS, in 1998, the University of Hawaii (UH), through  
13 Honolulu Community College (HCC), inaugurated a commercial pilot  
14 training program for new pilots, linking this program to a four-  
15 year degree program sponsored by the University of North Dakota;  
16 and

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18           WHEREAS, due to budgetary constraints, the major factors  
19 that restrain the growth of the program are a lack of advanced  
20 training facilities and equipment, which are needed to compete  
21 with other schools throughout the United States and the Pacific  
22 Basin; and

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24           WHEREAS, in 2004, UH entered into a Memorandum of  
25 Understanding with Alteon Training, LLC, a subsidiary of the  
26 Boeing Company, and Global Flyers Corp., an aviation consultant,  
27 to create one of the world's first vertically integrated ab  
28 initio airline pilot training centers in Hawaii; and

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30           WHEREAS, additionally, a business plan and training  
31 strategy for the training center was completed in September  
32 2004; and

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34           WHEREAS, lack of funding for the UH portion of the project  
35 resulted in Alteon's withdrawal from the joint venture in 2005;  
36 and

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38           WHEREAS, as a result, Global Flyers, through its affiliate,  
39 Global Aeronautics, LLC (a Hawaii company), has worked with a  
40 Florida-based training center, FlightSafety Academy, to develop  
41 for its Asian clients a 51-week, integrated training course that  
42 is fully focused on the needs of airline customers; and

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1           WHEREAS, based on this model, Hawaii has an opportunity  
2 again to support a joint public-private partnership that will  
3 fund a new training center providing private and commercial  
4 pilot training, as HCC does now, with the addition of airline-  
5 oriented training for airline cadets using the most modern  
6 advanced flight simulators; and  
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8           WHEREAS, while flight schools are presently limited to  
9 conducting a maximum of approximately twenty percent of the  
10 total required flight training in simulators, new licensing  
11 rules just proposed by the United Nations International Civil  
12 Aviation Organization (ICAO) will, if adopted by member  
13 countries, allow up to seventy percent of this training to be  
14 done in simulators; and  
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16           WHEREAS, simulator training is the type of high technology  
17 activity the State is seeking to develop because it offers many  
18 advantages - pollution-free, noiseless, and safe; and  
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20           WHEREAS, the public-private joint venture would entail an  
21 investment of approximately \$50,000,000 for a new simulator  
22 facility and \$10,000,000 for general aviation training  
23 equipment, which are amounts that can be raised almost entirely  
24 in Asia; and  
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26           WHEREAS, FlightSafety International and Alteon - both  
27 worldwide providers of airline pilot training - will be invited  
28 to join in this venture; and  
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30           WHEREAS, the State for its part will provide land for the  
31 construction of the training facilities and dormitories for  
32 approximately 200 students at, in order of preference:  
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- 34           (1) Kalaeloa on Oahu (provided that the Navy does not  
35           reclaim the facilities);  
36  
37           (2) Honolulu International Airport and its surroundings on  
38           Oahu; or  
39  
40           (3) Kona Airport on the island of Hawaii; and  
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42           WHEREAS, to secure financing and advance the proposal in  
43 Asia, three preconditions must be met:  
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- 1 (1) The State shall adopt a statement or resolution
- 2 supporting the concept and expressing a sincere
- 3 willingness to continue this support if corresponding
- 4 commitments can be obtained from private partners;
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- 6 (2) The site of the training center shall be tentatively
- 7 identified; and
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- 9 (3) United States joint venture training partners shall
- 10 enter into a Memorandum of Understanding, expressing
- 11 their willingness to join the venture; and
- 12

13 WHEREAS, with these preconditions satisfied, Global  
 14 Aeronautics LLC, which is currently under contract to  
 15 FlightSafety International, will sponsor the project in the  
 16 Asia-Pacific regions at its own expense, and will negotiate for  
 17 needed support from training partners, such as FlightSafety,  
 18 Alteon, and local Hawaii airlines; now, therefore,

19  
 20 BE IT RESOLVED by the House of Representatives of the  
 21 Twenty-third Legislature of the State of Hawaii, Regular Session  
 22 of 2006, the Senate concurring, that the Legislature supports  
 23 the concept of a public-private joint venture to develop a new  
 24 advanced simulator airline training facility in Hawaii, and  
 25 expresses a sincere willingness to continue that support if  
 26 corresponding commitments can be obtained from private partners  
 27 for financing and other training resources; and

28  
 29 BE IT FURTHER RESOLVED that certified copies of this  
 30 Concurrent Resolution be transmitted to the Governor; the  
 31 President of the University of Hawaii; the President of Global  
 32 Aeronautics, LLC; the President of FlightSafety International;  
 33 and the President of Alteon.

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 35  
 36 OFFERED BY: Calvin H. King  
Tommy Water  
 MAR 15 2006