

MAR 14 2006

S.C.R. NO. 65

SENATE 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
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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;
- 5
- 6 (2) The site of the training center shall be tentatively
- 7 identified; and
- 8
- 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 Senate of the Twenty-third
 21 Legislature of the State of Hawaii, Regular Session of 2006, the
 22 House of Representatives concurring, that the Legislature
 23 supports the concept of a public-private joint venture to
 24 develop a new advanced simulator airline training facility in
 25 Hawaii, and expresses a sincere willingness to continue that
 26 support if corresponding commitments can be obtained from
 27 private partners for financing and other training resources; and
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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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OFFERED BY: Will Eyo
