

Honolulu, Hawaii

APR - 6 2006

RE: S.R. No. 42  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Business and Economic Development, to which was referred S.R. No. 42 entitled:

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

begs leave to report as follows:

The purpose of this measure is to support the concept of a public-private joint venture to develop a new advanced simulator airline training facility in Hawaii.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Community College, and Global Aeronautics, LLC.

Hawaii's local air carriers provide more than twelve thousand direct and indirect jobs for Hawaii residents. Local air carriers must conduct a substantial portion of their flight training on the mainland because Hawaii does not have an advanced simulator training facility to serve the local airlines. A recent increase in training demands from other airlines and from ab initio airline cadets makes establishing an advanced simulator training center in Hawaii an economically feasible option.

Your Committee finds that legislative support is needed for a public-private joint venture to develop a new advanced simulator airline training facility in Hawaii. Simulator training has economic advantages for the State, and will prepare young pilots



for employment with the airlines; thus, creating more employment opportunities and the ability to bring more visitors to the State. Your Committee further finds that continued legislative support is needed if financial investments and other resources are obtained from private partners.

The Department of Transportation raised concerns, and your Committee recognizes, that providing State land free of charge for training facilities and dormitories may be in violation of the Federal Aviation Administration Policy and Procedures Concerning the Use of Airport Revenue, as printed in the Federal Register, Volume 63, Number 30, February 16, 1999. The Department of Transportation, however, is willing to negotiate a land lease or rental agreement with Honolulu Community College and Global Aeronautics for the development of the training center. Therefore, your Committee has amended this measure by adding a provision to clarify that the State will provide land for the training facility, provided that the State will not violate the terms of the Federal Aviation Administration Policy and Procedures.

As affirmed by the record of votes of the members of your Committee on Business and Economic Development that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 42, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 42, S.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Business and  
Economic Development,



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WILL ESPERO, Chair



