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# A BILL FOR AN ACT

RELATING TO THE MAXIMUM TERM OF COMMERCIAL USE AND OPERATOR  
PERMITS FOR THRILL CRAFT AND PARASAILING.

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

1           SECTION 1. Section 200-37, Hawaii Revised Statutes, is  
2 amended by amending subsections (k), (l), (m), (n), and (o) to  
3 read as follows:

4           "(k) The department may immediately revoke a commercial  
5 use permit without a hearing for any activity that endangers or  
6 may endanger the health or safety of passengers or the public,  
7 and may suspend or revoke a commercial use permit for violation  
8 of any rules of the department if, after seventy-two hours  
9 notice by the department of the violation, the permit holder  
10 fails to cure the violation; provided that the permit holder  
11 shall have ten days from receipt of the notice of suspension or  
12 revocation to request in writing an administrative hearing. The  
13 administrative hearing is solely for the purpose of allowing the  
14 permit holder to contest the basis for the suspension or  
15 revocation of the permit. The hearing shall be held within five  
16 working days of the department's receipt of the written request.  
17 The chairperson shall adopt rules pursuant to chapter 91 to



1 implement the procedures governing the administrative hearing  
2 process. Within ten days after the conclusion of the hearing,  
3 the department shall ~~[either]~~:

4 (1) Lift the suspension;

5 (2) Suspend the permit for a period of not longer than one  
6 year; or

7 (3) Revoke the permit.

8 (1) All new commercial use and operator permits issued by  
9 the department for commercial thrill craft~~[7]~~ and parasailing  
10 activities after June 18, 1996, shall be issued at public  
11 auction.

12 (m) Each commercial use and operator permit issued by the  
13 department for commercial thrill craft~~[7]~~ and parasailing  
14 activities shall be valid for ~~[five years]~~ one year from the  
15 date of issuance and shall be renewed by the department ~~[for~~  
16 ~~additional five year periods, not to exceed a maximum of twenty~~  
17 ~~years,]~~ annually, provided that the permit holder ~~[shall have~~  
18 ~~met]~~ meets the following conditions:

19 (1) The permit holder shall be in compliance with all  
20 applicable rules of the department;

21 (2) The permit holder shall have timely filed and paid all  
22 applicable state taxes during the year; and



1           (3) The permit holder shall have a good safety record  
2           regarding the operation of a commercial thrill craft,  
3           or parasailing activity.

4           (n) ~~[Upon expiration of the twenty year period, the permit~~  
5 ~~may be offered for public auction as provided in this chapter,~~  
6 ~~provided that the previous permit holder shall be offered the~~  
7 ~~right of first refusal in accordance with departmental rules,~~  
8 ~~and provided further that the permit holder shall agree to match~~  
9 ~~the highest bid offered at the public auction.] Upon revocation~~  
10 of a permit for failure to meet the conditions for renewal, the  
11 department shall offer the permit for public auction.

12           (o) All commercial use and operator permits issued by the  
13 department for commercial thrill craft [7] and parasailing  
14 activities shall be subject to an annual review by the  
15 department which shall include but not be limited to:

16           (1) The permit holder's compliance with applicable rules  
17           of the department;

18           (2) The permit holder's timely filing and payment of all  
19           applicable state taxes during the year; and

20           (3) The permit holder's safety record regarding the  
21           operation of a commercial thrill craft, or parasailing  
22           activity."



1           SECTION 2. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 3. This Act shall take effect on July 1, 2020.



**Report Title:**

Parasailing; Time Limit on Permits

**Description:**

Removes the twenty-year limit for state parasailing and thrill craft permits, and makes those permits renewable annually. Directs DLNR to offer for public auction permits that have been revoked for cause. Effective July 1, 2020. (HB2347 HD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

