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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 to read as follows:

3           "§200-37 Operation of thrill craft; parasailing; water  
4 sledding; commercial high speed boating. (a) No person shall  
5 operate a thrill craft unless the person is fifteen years of age  
6 or older.

7           (b) The department shall adopt rules to designate areas  
8 where, and time periods during which, thrill craft may be  
9 operated and parasailing, water sledding, and commercial high  
10 speed boating may be engaged in.

11           (c) No person shall operate a thrill craft in the waters  
12 of the State, except:

13           (1) In areas and during time periods designated by the  
14 department;

15           (2) Through areas designated by the department to serve as  
16 avenues for the ingress and egress of thrill craft



1           between the areas designated under paragraph (1) and  
2           the shore;

3           (3) Authorized government personnel conducting operations  
4           approved by the department; or

5           (4) Authorized film production permit holders conducting  
6           operations approved by the department.

7           (d) No person shall:

8           (1) Engage in parasailing; or

9           (2) Operate a motorized vessel towing a person engaged in  
10          parasailing;

11       on or above the waters of the State, except on or above areas  
12       and during time periods designated by the department.

13          (e) No person shall:

14          (1) Engage in water sledding; or

15          (2) Operate a motorized vessel towing a person engaged in  
16          water sledding;

17       in the waters of the State, except in areas and during time  
18       periods designated by the department.

19          (f) No person shall engage in commercial high speed

20       boating or operate an open power boat capable of exceeding forty  
21       miles per hour for commercial high speed boating purposes in the  
22       waters of the State, except:



- 1           (1) In areas, along routes, and during time periods  
2                   designated by the department; and
- 3           (2) In accordance with a permit issued by the department.
- 4           (g) During all weekends and state and federal holidays, no  
5 commercial operator shall operate a thrill craft, or engage in  
6 parasailing, water sledding, or commercial high speed boating,  
7 or operate a motor vessel towing a person engaged in water  
8 sledding or parasailing in Maunalua Bay on Oahu as provided for  
9 in section 200-38.
- 10          (h) On Sundays, all commercial ocean recreation  
11 activities, including those listed in this section, shall be  
12 prohibited on Oahu in Maunalua Bay as provided for in section  
13 200-38.
- 14          (i) Between December 15 and May 15 of each year, no person  
15 shall operate a thrill craft, or engage in parasailing, water  
16 sledding, or commercial high speed boating, or operate a motor  
17 vessel towing a person engaged in water sledding or parasailing  
18 on the west and south shore of Maui as provided in section  
19 200-38.
- 20          (j) All commercial use and operator permits issued by the  
21 department for commercial thrill craft, and parasailing  
22 activities shall be fully transferable upon the payment of a



1 business transfer fee in an amount determined by the department,  
2 which shall be no greater than six per cent of the transfer  
3 price; provided that no more than one transfer every two years  
4 shall be authorized with respect to any given permit, except  
5 transfers between family members for the purpose of business  
6 reorganization.

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



1 process. Within ten days after the conclusion of the hearing,  
2 the department shall either:

- 3 (1) Lift the suspension;
- 4 (2) Suspend the permit for a period of not longer than one  
5 year; or
- 6 (3) Revoke the permit.

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

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

- 18 (1) The permit holder shall be in compliance with all  
19 applicable rules of the department;
- 20 (2) The permit holder shall have timely filed and paid all  
21 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[-]; and

4 (4) The permit holder shall be in compliance with any  
5 conditions required by the department in response to  
6 community or other complaints filed with the  
7 department.

8 [~~(n)~~ ~~Upon expiration of the twenty year period, the permit~~  
9 ~~may be offered for public auction as provided in this chapter,~~  
10 ~~provided that the previous permit holder shall be offered the~~  
11 ~~right of first refusal in accordance with departmental rules,~~  
12 ~~and provided further that the permit holder shall agree to match~~  
13 ~~the highest bid offered at the public auction.~~

14 ~~(e)]~~ (n) All commercial use and operator permits issued by  
15 the department for commercial thrill craft, and parasailing  
16 activities shall be subject to an annual review by the  
17 department which shall include but not be limited to:

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

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



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

4           ~~[(p)]~~ (o) The department shall adopt rules to encourage  
5 water safety education and programs with respect to thrill  
6 craft, or parasailing activities."

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

9           SECTION 3. This Act shall take effect on July 1, 2040.

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**Report Title:**

Thrill Craft and Parasailing; Time Limit on Permits

**Description:**

Removes the twenty-year limit for thrill craft and parasailing permits; changes the five-year permit to a one-year permit; adds as a condition for renewal that the permit holder be in compliance with any conditions required by the department in response to community or other complaints filed with the department; effective 7/1/2040. (SD1)

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