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# A BILL FOR AN ACT

RELATING TO AERONAUTICS.

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

1           SECTION 1. Section 261-7, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:  
3           "(e) The department may fix and regulate, from time to  
4 time, reasonable landing fees for aircraft, including the  
5 imposition of landing surcharges or differential landing fees,  
6 and other reasonable charges for the use and enjoyment of the  
7 airports and the services and facilities furnished by the  
8 department in connection therewith, including the establishment  
9 of a statewide system of airports landing fees, a statewide  
10 system of airports support charges, and joint use charges for  
11 the use of space shared by users, which fees and charges may  
12 vary among different classes of users such as foreign carriers,  
13 domestic carriers, inter-island carriers, air taxi operators,  
14 helicopters, and such other classes as may be determined by the  
15 director, for the purpose of meeting the expenditures of the  
16 statewide system of airports set forth in section 261-5(a),  
17 which includes expenditures for capital improvement projects  
18 approved by the legislature[-]; provided that beginning \_\_\_\_\_,



1 2012, no landing fees shall be assessed by the department upon  
2 air carriers for flights landing at Molokai airport, Lanai  
3 airport, Kapalua-West Maui airport, Hana airport, Kalaupapa  
4 airport, and Waimea-Kohala airport.

5 In setting airports rates and charges, including landing  
6 fees, the director may enter into contracts, leases, licenses,  
7 and other agreements with aeronautical users of the statewide  
8 system of airports containing such terms, conditions, and  
9 provisions as the director deems advisable.

10 If the director has not entered into contracts, leases,  
11 licenses, and other agreements with any or fewer than all of the  
12 aeronautical users of the statewide system of airports prior to  
13 the expiration of an existing contract, lease, license, or  
14 agreement, the director shall set and impose rates, rentals,  
15 fees, and charges pursuant to this subsection without regard to  
16 the requirements of chapter 91; provided that a public  
17 informational hearing shall be held on the rates, rentals, fees,  
18 and charges.

19 The director shall develop rates, rentals, fees, and  
20 charges in accordance with a residual methodology so that the  
21 statewide system of airports shall be, and always remain,  
22 self-sustaining. The rates, rentals, fees, and charges shall be



1 set at such levels as to produce revenues which, together with  
2 aviation fuel taxes, shall be at least sufficient to meet the  
3 expenditures of the statewide system of airports set forth in  
4 section 261-5(a), including expenditures for capital improvement  
5 projects approved by the legislature, and to comply with  
6 covenants and agreements with holders of airport revenue bonds.

7 The director may develop and formulate methodology in  
8 setting the various rates, rentals, fees, and charges imposed  
9 and may determine usage of space, estimate landed weights, and  
10 apply such portion of nonaeronautical revenue deemed appropriate  
11 in determining the rates, rentals, fees, and charges applicable  
12 to aeronautical users of the statewide system of airports.

13 The rates, rentals, fees, and charges determined by the  
14 director in the manner set forth in this subsection shall be  
15 those charges payable by the aeronautical users for the periods  
16 immediately following the date of expiration of the existing  
17 contract, lease, license, or agreement. If fees are established  
18 pursuant to this section, the department shall prepare a  
19 detailed report on the circumstances and rates and charges that  
20 have been established, and shall submit the report to the  
21 legislature no later than twenty days prior to the convening of  
22 the next regular session.



1           If a schedule of rates, rentals, fees, and charges  
2 developed by the director in accordance with this section is  
3 projected by the department to produce revenues which, together  
4 with aviation fuel taxes, will be in excess of the amount  
5 required to meet the expenditures of the statewide system of  
6 airports set forth in section 261-5(a), including expenditures  
7 for capital improvement projects approved by the legislature,  
8 and to comply with covenants and agreements with holders of  
9 airport revenue bonds, the department shall submit the schedule  
10 of rates, rentals, fees, and charges to the legislature prior to  
11 the convening of the next regular session of the legislature.  
12 Within forty-five days after the convening of the regular  
13 session, the legislature may disapprove any schedule of rates,  
14 rentals, fees, and charges required to be submitted to it by  
15 this section by concurrent resolution. If no action is taken by  
16 the legislature within the forty-five-day period the schedule of  
17 rates, rentals, fees, and charges shall be deemed approved. If  
18 the legislature disapproves the schedule within the forty-five-  
19 day period, the director shall develop a new schedule of rates,  
20 rentals, fees, and charges in accordance with this section  
21 within seventy-five days of the disapproval. Pending the  
22 development of a new schedule of rates, rentals, fees, and



1 charges, the schedule submitted to the legislature shall remain  
2 in force and effect.

3 Notwithstanding any other provision of law to the contrary,  
4 the department may waive landing fees and other aircraft charges  
5 established under this section at any airport owned or  
6 controlled by the State whenever:

- 7 (1) The governor declares a state of emergency; and
- 8 (2) The department determines that the waiver of landing  
9 fees and other charges for the aircraft is consistent  
10 with assisting in the delivery of humanitarian relief  
11 to disaster-stricken areas of the State."

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

14 SECTION 3. This Act, upon its approval, shall take effect  
15 on the date of receipt of written notification from the Federal  
16 Aviation Administration that the Act does not conflict with the  
17 State's eligibility to receive financial aid from the federal  
18 government, and shall be repealed on June 30, 2014; provided  
19 that section 261-7(e), Hawaii Revised Statutes, shall be  
20 reenacted in the form in which it read on the day before the  
21 approval of this Act.



**Report Title:**

Airports Landing Fees; Exemption

**Description:**

Prohibits the department of transportation from assessing landing fees upon air carriers for flights landing at Molokai Airport, Lanai Airport, Kapalua-West Maui Airport, Hana Airport, Kalaupapa Airport, and Waimea-Kohala Airport. (SD2)

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

