
A BILL FOR AN ACT

RELATING TO USE PERMITS FOR SMALL BOAT FACILITIES.

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

1 SECTION 1. Section 200-10, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:
3 "(f) Any person [~~owning~~] who owns an interest in a
4 corporation or other business entity or is part of a controlled
5 group possessing a valid commercial permit issued by the
6 department, in accordance with rules adopted by the chairperson
7 pursuant to chapter 91, may transfer any or all stock or other
8 interest to another person without terminating the right of the
9 corporation or business entity to retain or renew its commercial
10 permit or any other permit issued to it by the department;
11 provided that:

12 (1) The corporation or business entity has been engaged in
13 the same commercial vessel activity, as defined in
14 section 200-9, for a minimum of one year;

15 (2) The seller shall pay the department a business
16 transfer fee based on the passenger-carrying capacity
17 of the vessels owned or operated by the corporation or



1 business entity as provided by rules adopted by the
2 chairperson pursuant to chapter 91, except for
3 transfers of stock or interest in a corporation or
4 other business entity between spouses or first-
5 generation lineal descendants; and

6 (3) In the case of a controlled group, the transferee
7 [~~must~~] shall retain eighty per cent control of the
8 transferor.

9 Any person possessing a commercial permit shall be required to
10 meet minimum revenue standards, as a condition of retaining or
11 renewing the commercial permit.

12 When an application for renewal of a commercial permit is
13 made at least sixty days prior to expiration of the commercial
14 permit, the department shall review the application and, within
15 thirty days of receipt of the application, shall renew the
16 permit or notify the applicant that the application is
17 incomplete or cannot be renewed for other reasons and explain
18 the reasons for the nonrenewal. The applicant shall have thirty
19 days from the date of notification that the application is
20 incomplete or cannot be renewed to provide additional
21 information to complete the application or address the reason



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1 stated for the nonrenewal of the permit. Within thirty days of
 2 receipt of the applicant's amended application, the department
 3 shall either renew the permit or notify the applicant that the
 4 permit will not be renewed.

5 If the holder of a commercial permit fails to timely obtain
 6 renewal of a commercial permit, the holder of the permit shall
 7 automatically be granted a thirty-day extension from the date of
 8 the existing permit's expiration to obtain a permit renewal."

9 SECTION 2. This Act does not affect rights and duties that
 10 matured, penalties that were incurred, and proceedings that were
 11 begun before its effective date.

12 SECTION 3. Statutory material to be repealed is bracketed
 13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.
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Report Title:

Small Boat Facilities; Commercial Use Permit; Renewal; Early Submission; Grace Period

Description:

Authorizes commercial permits holders for small boat harbors to submit permit renewal applications early and be informed of any reasons for a nonrenewal prior to the expiration of the commercial permit. Authorizes a thirty-day grace period for persons who fail to timely file a commercial permit renewal application.

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