

Honolulu, Hawaii

FEB 13 2017

RE: S.B. No. 1163
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Judiciary and Labor and Transportation and Energy, to which was referred S.B. No. 1163 entitled:

"A BILL FOR AN ACT RELATING TO AERONAUTICS,"

beg leave to report as follows:

The purpose and intent of this measure is to impose civil penalties, rather than criminal penalties, for violating certain safety measures, practices, or requirements with respect to the operation or use of airports and airport facilities, and certain licensing and regulatory requirements for commercial activities at airports.

Your Committees received testimony in support of this measure from the Aircraft Owners and Pilots Association; East West Avionics, Inc.; General Aviation Council of Hawaii; and forty-one individuals. Your Committees received testimony in opposition to this measure from the Department of Transportation and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that existing law imposes criminal penalties for violations of certain categories of airport rules relating to safety measures, practices, or requirements; airport security measures or requirements; or licensing and regulation of persons engaged in commercial activities at public airports. Written testimony in support of this measure indicates that the criminal penalties imposed are extreme and disproportionate to the acts. The criminal penalties for certain airport offenses can



result in significant consequences for pilots, including the loss of the pilots' license or necessary security clearance. This measure decriminalizes certain airport offenses while maintaining the Department of Transportation's authority to enforce laws and rules relating to the operation of the airports, including airport security offenses.

Your Committees note that this measure imposes a civil penalty for any violation of a safety measure, practice, or requirement, and imposes a criminal penalty for any violation of an airport security measure or requirement. Your Committees believe that distinguishing between a safety measure and security measure merits further discussion as this measure moves through the legislative process due to the different types of penalties imposed as well as determining whether safety measures should conform with Federal Aviation Administration and Transportation Security Administration regulations. Your Committees further note that the Department of Transportation is engaged in discussions with stakeholders in developing a general aviation handbook to set forth standards and rules.

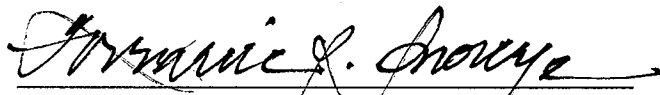
Your Committees have amended this measure by:

- (1) Amending the severability clause under section 3 to:
 - (A) Delete language that authorizes the Governor to modify the strict provisions of this measure and report any modifications to the Legislature only to the extent necessary to not jeopardize the receipt of any federal aid nor impair the obligation of the State to the holders of any state issued bond; and
 - (B) Add language that clarifies if any provision of this measure conflicts with any federal law, jeopardizes receipt of federal aid, or impairs the obligation of the State with respect to holders of state issued bonds, that provision is void and all other provisions of this measure will remain in effect and enforceable;
- (2) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1163, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1163, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Labor and Transportation and
Energy,

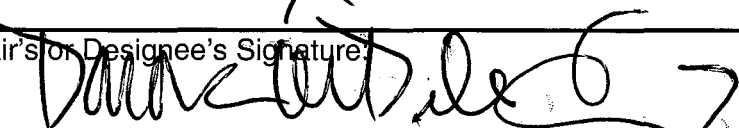

LORRAINE R. INOUE, Chair


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Energy
TRE

Bill / Resolution No.:* SB 1163	Committee Referral: JDL/TRE, WAM	Date: 2/6/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani				/
HARIMOTO, Breene				/
SHIMABUKURO, Maile S.L.	/			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes