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A BILL FOR AN ACT

RELATING TO PORT PILOTS.

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

1           SECTION 1. Section 462A-6, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§462A-6 Duration and renewal of license.** All licenses  
4 shall expire on June 30 of even-numbered years. All applicants  
5 for renewal of license shall submit a renewal application  
6 pursuant to section 436B-13 and comply with all applicable rules  
7 of the department. [~~No applicant shall be denied a renewal of  
8 the applicant's license, except as provided in this chapter, as  
9 long as the applicant possesses the qualifications established  
10 by the department and remains in active service as a pilot in  
11 the State.~~]"

12           SECTION 2. Section 462A-11, Hawaii Revised Statutes, is  
13 amended to read as follows:

14           "**§462A-11 Rates of pilotage.** The director shall establish  
15 the rates of pilotage for vessels subject to this chapter as  
16 follows:

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1 (1) The rates of pilotage in effect on July 1, 1978, shall  
2 remain in effect until changed by the director  
3 pursuant to this chapter.

4 (2) No rate shall be increased, lowered, or altered  
5 without a public hearing in accordance with chapter  
6 91. Due notice of hearing shall be mailed at least  
7 thirty days prior to the date of hearing to the  
8 individual licensed pilots, the pilot's association,  
9 and all owners, charterers, operators, and agents of  
10 vessels who have registered with the department.

11 (3) The director, in setting rates of pilotage, shall fix  
12 such amounts as will be a fair charge for the services  
13 rendered with due regard to necessary operating  
14 expenses, maintenance of, depreciation on, and return  
15 on investment for property used in the business of  
16 pilotage [~~and the rates and charges of pilotage at~~  
17 ~~comparable ports of the United States~~].

18 (4) Persons aggrieved by the director's decision setting  
19 the rates of pilotage may appeal to circuit court as  
20 provided in chapter 91."

21 SECTION 3. Statutory material to be repealed is bracketed  
22 and stricken.

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1 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

*Alan*

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BY REQUEST

JAN 21 2020

# H.B. NO. 2326

**Report Title:**

Port Pilot; Rate of pilotage; Chapter 462

**Description:**

Aligns the license renewal requirements with those of other professions and vocations. Removes the use of rates from comparable ports for rate increase petitions.

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

## JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO PORT PILOTS.

PURPOSE: To align the license renewal requirements with those of other professions and vocations. To remove the use of rates from comparable ports for rate increase petitions.

MEANS: Amend sections 462A-6 and 462A-11, Hawaii Revised Statutes (HRS).

JUSTIFICATION: Currently, section 462A-6, HRS, allows all port pilot licensees to renew their licenses if they remain in active service as a pilot in the State. No other profession or vocation that the Department of Commerce and Consumer Affairs' Professional and Vocational Licensing Division (PVL) licenses has similar active service language. The repeal of this language will make the license renewal of this profession consistent with that of other professions and vocations under the jurisdiction of the PVL.

Currently, section 462A-11, HRS, requires the Port Pilot Program to look at comparable ports when setting new pilotage rates. Hawaii ports are unique in their geographic location and topography, and their rates cannot be compared to the rates of other ports, such as Alaska's or Mississippi's.

Impact on the public: None.

Impact on the department and other agencies: None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: CCA-105.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.