

S.B. NO. 2925

JAN 23 2020

A BILL FOR AN ACT

RELATING TO PAYMENT FOR AIRPORT CHARGES.

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

1 SECTION 1. Section 261-7.6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+] §261-7.6 [+] Use of credit cards, debit cards, and
4 online electronic payments to pay for airport charges. (a)

5 Notwithstanding any other law to the contrary, any payments due
6 and owing to the State for any products or services received
7 from the State at any airports operated by the State may be made
8 by credit or debit card, if prior arrangements have been made by
9 the department for payments through the use of the credit or
10 debit card and the arrangements have been approved by the
11 comptroller. However, credit and debit cards may not be used to
12 make payments under protest pursuant to section 40-35. The
13 maximum charge that may be paid to the department by use of a
14 credit card on any transaction is \$500.

15 (b) Processing fees or charges may be paid by the airports
16 for the use of an online electronic payment system and for a
17 credit or debit card service. In the event that a credit or
18 debit card is used to pay for any product of services, the

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1 airports may impose additional processing fees or charges upon
2 the user for online electronic payments, credit cards, and debit
3 cards. The amount of such processing fees or charges shall not
4 exceed the amount of the processing fees or charges imposed on
5 the airports for the subject credit or debit card transaction.

6 (c) The processing fees or charges may be paid directly by
7 the user to the credit or debit card processor, instead of to
8 the airports."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: 

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BY REQUEST

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Report Title:

Department of Transportation, Airport Charges

Description:

Amends the law relating to use of credit cards to pay for airport charges to add the use of debit cards and online electronic payments; allows the airports to pay for processing fees and charges; imposes additional processing fees or charges upon the user for online electronic payments such as Automated Clearing House (ACH) payments and for credit and debit cards; and allows the airports to have the user pay for processing fees and charges directly to the credit or debit card processor.

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: Transportation

TITLE: A BILL FOR AN ACT RELATING TO PAYMENT FOR AIRPORT CHARGES.

PURPOSE: To amend the law relating to use of credit cards to pay for airport charges, section 261-7.6, Hawaii Revised Statutes, to add the use of debit cards and online electronic payments; to allow the airports to pay for processing fees and charges and to impose additional processing fees or charges upon the user for online electronic payments such as Automated Clearing House payments and for credit and debit cards; and to allow the airports to have the user pay for processing fees and charges directly to the credit or debit card processor.

MEANS: Amend section 261-7.6, Hawaii Revised Statutes.

JUSTIFICATION: The airports need to be able to process online electronic payments and credit and debit cards for products and services provided by the airports because of the high demand for alternative forms of payment. Badge and fingerprint fees, permittee fees, and other airport fees often involve cash that have been subject to theft in the past. Credit and debit card transactions provide much stronger internal controls and will significantly reduce the chances of theft in the future.

Impact on the public: The public as well as airport employees have requested that they be able to process credit and debit cards. Cash and checks will still be accepted, however the public will have a more convenient way to pay for services.

Impact on the department and other agencies:
The airports will be able to integrate the Point of Sale system with the credit and debit card terminals for the Badge and Fingerprint Office. Districts will have the option to create an online permittee portal for applicants to enter their information and make payments online.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: TRN-195.

OTHER AFFECTED
AGENCIES: Department of Budget and Finance, Department of Accounting and General Services.

EFFECTIVE DATE: Upon approval.