

STAND. COM. REP. NO. 1170

Honolulu, Hawaii

**MAR 25 2021**

RE: H.B. No. 434  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 434, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AIRCRAFT,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a non-commercial aircraft landing fee and non-commercial aircraft storage fee and use those moneys to help off-set the current budget deficit.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and inserting language to require the Director of Transportation to adopt rules to:

- (1) Require tour aircraft operators to have commercial general liability insurance coverage of at least \$10,000,000; and
- (2) Require tour aircraft operators applying for permit renewal to report details of each flight taken by the tour aircraft operation during the permitted period.



Your Committee received testimony in support of the proposed S.D. 1 from the Department of Transportation Airports Division, O'ahu Tour Helicopter Safety and Noise Inter-Action Group, and seven individuals.

Your Committee finds that tour helicopter and small aircraft operations constitute a significant risk to passengers and residents on the ground. Over the past five years tour helicopters and small aircraft operations in Hawaii accounted for nearly seventeen percent of the nation-wide accidents that prompted investigations by the National Transportation Safety Board. In one ten-month period spanning 2019 to 2020, twenty-three lives were lost in four separate tour helicopter or small aircraft accidents on Oahu and Kauai. Therefore, it is important that tour operators carry insurance in sufficient amounts to cover potential losses in the event of an accident.

Your Committee also finds that residents in the State must endure the excessive noise that helicopter tours generate. Federal legislation, such as the National Parks Air Tour Management Act of 2000, established rules that tour operators must follow when flying over national parks like Volcanoes National Park, Pearl Harbor National Memorial, and Haleakala National Park. Therefore, it is in the interest of the State to monitor and ensure that federal regulations are being followed and that the State has the option not to renew a tour aircraft operation permit for any company that repeatedly deviates from flight plans over sensitive areas. This measure will require tour aircraft operators to carry and maintain sufficient insurance amounts as well as file appropriate reports and disclosures so that the State can monitor compliance with federal regulations.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your



Committee is in accord with the intent and purpose of H.B. No. 434, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 434, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,




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CHRIS LEE, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Transportation**  
**TRS**

Bill / Resolution No.:* <b>HB 434 HDI</b>	Committee Referral: <b>TRS, WAM</b>	Date: <b>3/23/2021</b>		
<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
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)	✓			
ENGLISH, J. Kalani				✓
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>4</b>			<b>✓ Lei</b>
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