

ACT 20

S. B. 444.

A Bill for an Act Relating to Aeronautics and Amending Chapter 15, Revised Laws of Hawaii 1955, as Amended.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

Chapter 15, Revised Laws of Hawaii 1955, as amended, establishes a statewide system of airports which is intended to be self-supporting. This system of airports includes neighbor island airports which do not at present generate the level of revenues which are generated at Honolulu International Airport. These neighbor island airports collectively operate at a deficit, yet it is the neighbor islands and the neighbor island airports which induce many tourists to travel to the State of Hawaii on the overseas air carriers which, in most cases, land at Honolulu International Airport. The introduction of the common fare plan and overseas landings at Hilo substantiate the close ties,

both economically and otherwise, which the overseas carriers have with the entire system of airports. Furthermore, many of the applicants in the present trans-pacific route case have indicated an express desire to serve the neighbor islands. The overseas carriers that are presently certificated to serve the State of Hawaii benefit from the very existence of the neighbor island airports and therefore should assist financially in supporting the expansion of such airports. Since most of the airport revenues are generated at Honolulu International Airport, economic support for the orderly development of the neighbor island airports must of necessity come from revenues generated at Honolulu.

The department of transportation is presently negotiating a four-year airport use charge formula commencing July 1, 1968, for Honolulu International Airport with its lessees, the principal overseas and inter-island commercial air carriers serving the State. In the event the department is unable to negotiate a satisfactory formula with the airlines which will assure the orderly development of the statewide system of airports on a financially sound basis, it will have to resort to a provision in the lease document which permits it to establish landing fees by means of laws, including rules and regulations, in existence on July 1, 1968. Accordingly, it is urgent that the following clarifying amendments be made to sections 15-10 and 15-12, Revised Laws of Hawaii 1955, as amended.

SECTION 2. Section 15-10 (b), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“§15-10(b) All moneys received by the department of transportation from rents, fees and other charges pursuant to this chapter shall be paid into the airport revenue fund. All such moneys paid into the airport revenue fund and all tax collections paid into the state airport fund, created by section 129-11, shall be expended by the department for the statewide system of airports, including the construction of airports and air navigation facilities approved by the legislature, including acquisition of real property and interests therein; and for operation and maintenance of airports and air navigation facilities; and for the payment of indebtedness heretofore or hereafter incurred by the department, or its predecessor, the Hawaii aeronautics commission, for any of the purposes herein; and for the other purposes of this chapter. The department shall generate sufficient revenues from its airport properties to meet all of the expenditures of the statewide system of airports.”

SECTION 3. The last paragraph of section 15-12(a), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“Except as otherwise provided in this section, in each case mentioned in paragraphs (1), (2), (3) and (4), the department of transportation may establish the terms and conditions of the contract, lease, license, or other arrangement, and may fix the charges, rentals or fees for the privileges, services, or things granted, conferred, or made available, for the purpose of meeting the expenditures of the statewide system of airports set forth in section 15-10(b), which includes expenditures for capital improvement projects approved by the legislature. Such charges shall be reasonable and uniform for the same class of privilege, service or thing.”

SECTION 4. Section 15-12(c), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“§ 15-12(c) Miscellaneous fees and charges. The department of transportation may fix and regulate, from time to time, reasonable landing fees for aircraft and other reasonable charges for the use and enjoyment of the airports and the services and facilities furnished by the department of transportation in connection therewith, including the establishment of a statewide landing fee which may vary among different classes of users such as foreign carriers, domestic carriers, inter-island carriers, air taxi operators and such other classes as may be determined by the director of transportation, for the purpose of meeting the expenditures of the statewide system of airports set forth in section 15-10(b), which includes expenditures for capital improvement projects approved by the legislature.”

SECTION 5. This Act shall take effect upon its approval.

(Approved April 30, 1968.)