JAN 2 0 2012

A BILL FOR AN ACT

RELATING TO COMMERCIAL WATERSPORTS.

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

- 1 SECTION 1. Section 200-23, Hawaii Revised Statutes, is
- 2 amended by adding a new definition to be appropriately inserted
- 3 and to read as follows:
- 4 ""Commercial watersports equipment" means any equipment
- 5 that is designed to be used on or in the water, including
- 6 kayaks, surfboards, stand-up paddleboards, and kite-boards, for
- 7 any trade or business. "Commercial watersports equipment" does
- 8 not include any equipment that is used as part of an organized,
- 9 permitted event, such as a canoe regatta or marine regatta. The
- 10 department may adopt rules pursuant to chapter 91 to specify the
- 11 types of equipment that shall be deemed "commercial watersports
- 12 equipment" pursuant to this section."
- 13 SECTION 2. Section 200-37, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- 15 "\$200-37 Operation of thrill craft; parasailing; water
- 16 sledding; commercial high speed boating[-]; commercial
- 17 watersports equipment. (a) No person shall operate a thrill
- 18 craft unless the person is fifteen years of age or older.

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1	(b)	The department shall adopt rules to designate areas
2	where, an	d time periods during which, thrill craft may be
3	operated	[and]; parasailing, water sledding, and commercial high
4	speed boa	ting may be engaged in[-]; and commercial watersports
5	equipment	may be operated.
6	(c)	No person shall operate a thrill craft in the waters
7	of the St	ate, except:
8	(1)	In areas and during time periods designated by the
9		department;
10	(2)	Through areas designated by the department to serve as
11		avenues for the ingress and egress of thrill craft
12		between the areas designated under paragraph (1) and
13		the shore;
14	(3)	Authorized government personnel conducting operations
15		approved by the department; or
16	(4)	Authorized film production permit holders conducting
17		operations approved by the department.
18	(d)	No person shall:
19	(1)	Engage in parasailing; or
20	(2)	Operate a motorized vessel towing a person engaged in
21		parasailing;

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- on or above the waters of the State, except on or above areas
 and during time periods designated by the department.

 (e) No person shall:

 (1) Engage in water sledding; or
- 5 (2) Operate a motorized vessel towing a person engaged in6 water sledding;
- 7 in the waters of the State, except in areas and during time
 8 periods designated by the department.
- 9 (f) No person shall engage in commercial high speed
 10 boating or operate an open power boat capable of exceeding forty
 11 miles per hour for commercial high speed boating purposes in the
 12 waters of the State, except:
- (1) In areas, along routes, and during time periodsdesignated by the department; and
- 15 (2) In accordance with a permit issued by the department.

(g) No person shall operate commercial watersports

- equipment on or in the waters of the State without a use permit

 issued by the department. A permittee shall pay fees to the

 department for the use permit that shall be equal to three per
- 20 cent of the gross revenues derived from the use of the equipment
- 21 or \$200 per month, whichever is greater.

1 $\left[\frac{g}{g}\right]$ (h) During all weekends and state and federal 2 holidays, no commercial operator shall operate a thrill craft, or engage in parasailing, water sledding, or commercial high 3 4 speed boating, or operate a motor vessel towing a person engaged 5 in water sledding or parasailing in Maunalua Bay on Oahu as 6 provided for in section 200-38. 7 [(h)] (i) On Sundays, all commercial ocean recreation 8 activities, including those listed in this section, shall be prohibited on Oahu in Maunalua Bay as provided for in section 9 10 200-38. $[\frac{(i)}{(i)}]$ (j) Between December 15 and May 15 of each year, no 11 12 person shall operate a thrill craft, or engage in parasailing, 13 water sledding, or commercial high speed boating, or operate a motor vessel towing a person engaged in water sledding or 14 15 parasailing on the west and south shore of Maui as provided in 16 section 200-38. 17 $\left[\frac{(i)}{(i)}\right]$ (k) All commercial use and operator permits issued 18 by the department for commercial thrill craft, [and] parasailing 19 activities, and commercial watersports equipment shall be fully 20 transferable upon the payment of a business transfer fee in an 21 amount determined by the department, which shall be no greater 22 than six per cent of the transfer price; provided that no more

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- 1 than one transfer every two years shall be authorized with
- 2 respect to any given permit, except transfers between family
- 3 members for the purpose of business reorganization.
- 4 $\left[\frac{k}{k}\right]$ (1) The department may immediately revoke a
- 5 commercial use permit without a hearing for any activity that
- 6 endangers or may endanger the health or safety of passengers or
- 7 the public, and may suspend or revoke a commercial use permit
- 8 for violation of any rules of the department if, after seventy-
- 9 two hours notice by the department of the violation, the permit
- 10 holder fails to cure the violation; provided that the permit
- 11 holder shall have ten days from receipt of the notice of
- 12 suspension or revocation to request in writing an administrative
- 13 hearing. The administrative hearing is solely for the purpose
- 14 of allowing the permit holder to contest the basis for the
- 15 suspension or revocation of the permit. The hearing shall be
- 16 held within five working days of the department's receipt of the
- 17 written request. The chairperson shall adopt rules pursuant to
- 18 chapter 91 to implement the procedures governing the
- 19 administrative hearing process. Within ten days after the
- 20 conclusion of the hearing, the department shall either:
- 21 (1) Lift the suspension;

1	(2) Suspend the permit for a period of not longer than one	
2	year; or	
3	(3) Revoke the permit.	
4	$[\frac{(1)}{(1)}]$ (m) All new commercial use and operator permits	
5	issued by the department for commercial thrill craft and	
6	parasailing activities after June 18, 1996, shall be issued at	
7	public auction.	
8	$\left[\frac{m}{m}\right]$ (n) Each commercial use and operator permit issued	
9	by the department for commercial thrill craft [and], parasailing	
10	activities, and commercial watersports equipment shall be valid	
11	for one year from the date of issuance and shall be renewed by	
12	the department for additional one-year periods; provided that	
13	the permit holder meets the following conditions:	
14	(1) The permit holder shall be in compliance with all	
15	applicable rules of the department;	
16	(2) The permit holder shall have timely filed and paid all	
17	applicable state taxes during the year; and	
18	(3) The permit holder shall have a good safety record	
19	regarding the operation of a commercial thrill craft,	
20	[or] parasailing activity[-], or commercial	
21	watersports equipment.	

1	$\left[\frac{(n)}{(n)}\right]$ (0) All commercial use and operator permits issued	
2	by the department for commercial thrill craft, [and] parasailing	
3	activities, and commercial watersports equipment shall be	
4	subject to an annual review by the department which shall	
5	include but not be limited to:	
6	(1) The permit holder's compliance with applicable rules	
7	of the department;	
8	(2) The permit holder's timely filing and payment of all	
9	applicable state taxes during the year; and	
10	(3) The permit holder's safety record regarding the	
11	operation of a commercial thrill craft, [or]	
12	parasailing activity[+], or operation of commercial	
13	watersports equipment.	
14	$[\frac{(o)}{(p)}]$ The department shall adopt rules to encourage	
15	water safety education and programs with respect to thrill	
16	craft, $[\Theta r]$ parasailing activities $[r]$, or commercial watersports	
17	equipment."	
18	SECTION 3. Statutory material to be repealed is bracketed	
19	and stricken. New statutory material is underscored.	
20	SECTION 4. This Act shall take effect upon its approval.	
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Report Title:

DLNR; Use Permits; Commercial Watersports Equipment

Description:

Requires DLNR to adopt rules to designate areas where, and time periods during which, commercial watersports equipment may be operated. Prohibits persons from using commercial watersports equipment without a use permit issued by DLNR. Requires a permittee to pay fees to DLNR for a use permit for commercial watersports equipment. Requires DLNR to conduct an annual review of the use permits issued for commercial watersports equipment. Defines "commercial watersports equipment."

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