

JAN 27 2016

A BILL FOR AN ACT

RELATING TO AN AIRPORT AUTHORITY.

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

1 SECTION 1. The legislature finds that Hawaii's air
2 transportation planning, management, marketing, and development
3 functions are currently spread out among a number of agencies,
4 including the department of transportation's airports division,
5 Hawaii Tourism Authority, department of health with respect to
6 environmental concerns, and office of Hawaiian affairs when
7 ceded lands issues arise.

8 This multijurisdictional situation has resulted in
9 inefficiencies and conflicts that are difficult to resolve
10 between agencies. In addition, this situation sometimes leads
11 to conflicting plans of action among the different agencies
12 seeking to implement differing goals.

13 The economic well-being of the State depends in part on the
14 efficient use of all of its air transportation resources, which
15 will enhance and complement efforts to revitalize and sustain
16 Hawaii's economy. The legislature believes that coordinated
17 planning and development of air transportation would be



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1 implemented more effectively by a single entity having overall
2 consolidated jurisdiction.

3 The legislature further finds that the establishment of an
4 airport authority will assist in the following important
5 statewide objectives:

- 6 (1) Increasing security for the State;
- 7 (2) Providing an appropriate forum for all affected
8 interests;
- 9 (3) Increasing efficiency in land use and related lease
10 processes;
- 11 (4) Improving administrative efficiency by streamlining
12 administrative processes;
- 13 (5) Coordinating environmental issues affecting the
14 airports, particularly relating to alien invasive
15 species, as an airport authority will be able to
16 oversee everything that enters the State by air,
17 thereby allowing that entity to serve as the agency
18 responsible for comprehensive alien invasive species
19 protection and control;
- 20 (6) Increasing economic opportunities for the State in
21 collaboration with the Hawaii Tourism Authority;



- (7) Making possible more responsive planning;
- (8) Increasing financial flexibility; and
- (9) Increasing responsiveness to customer needs and economic demands.

The legislature finds that the rational allocation and administration of scarce and increasingly valuable airport resources through the establishment of an airport authority is vital for the well-being of the people and the economy of the State.

The purpose of this Act is to establish the Hawaii airport authority.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

HAWAII AIRPORT AUTHORITY

§ -1 Definitions. As used in this chapter:

"Administrator" means the administrator of the State of Hawaii airport authority.

"Aeronautics" shall have the same meaning as defined in section 261-1.



1 "Air navigation facility" shall have the same meaning as
2 defined in section 261-1.

3 "Airport" means any area of land or water that is used, or
4 intended for use, for the landing and taking-off of aircraft,
5 and any appurtenant areas that are used, or intended for use,
6 for airport buildings or other airport facilities or rights-of-
7 way, including approaches, together with all airport buildings
8 and facilities located thereon.

9 "Airport authority" means the State of Hawaii airport
10 authority.

11 § -2 Airport authority; establishment; members and
12 administrator. (a) On July 1, 2017, there is established the
13 State of Hawaii airport authority, which shall be a body
14 corporate and a special political subdivision of the State for
15 the purposes of this chapter. The airport authority shall be
16 placed within the department of transportation for
17 administrative purposes only.

18 (b) The airport authority shall consist of eight voting
19 members, including the President and Chief Executive Officer of
20 the Hawaii Tourism Authority. Two members shall be appointed by
21 the governor pursuant to section 26-34. Two members shall be



1 appointed by the governor from a list of names
2 provided by the president of the senate; and two members shall
3 be appointed by the governor from a list of names
4 provided by the speaker of the house of representatives;
5 provided that:

6 (1) The names on the lists provided by the president of
7 the senate and the speaker of the house of
8 representatives shall be selected from lists of
9 prospective appointees recommended by the county
10 councils; and

11 (2) The governor shall stagger the terms of those members
12 appointed from the lists provided by the president of
13 the senate and the speaker of the house of
14 representatives so there shall always be one member
15 from each county in office at all times.

16 The administrator shall be an ex-officio voting member.

17 All members, except for the administrator, shall continue
18 in office until their respective successors have been appointed
19 and, if required, confirmed by the senate.



1 Except as provided in this chapter, no member appointed
2 under this section shall be an officer or employee of the State
3 or the counties.

4 (c) The airport authority shall be headed by a single
5 executive to be known as the administrator of the State of
6 Hawaii airport authority. The administrator:

7 (1) Shall be appointed by the vote of not less than four
8 members of the airport authority, excluding the
9 administrator;

10 (2) Shall be a voting member of the airport authority; and

11 (3) May be removed from office by a vote of not less than
12 four members of the airport authority, excluding the
13 administrator.

14 The administrator shall have such powers as described in
15 this chapter and as may be delegated by the members of the
16 airport authority.

17 The administrator, with the consent of a majority of the
18 members of the authority, may appoint such deputy administrators
19 as the administrator deems appropriate. Each deputy
20 administrator shall exercise those powers that may be delegated
21 by the administrator.



1 The airport authority shall establish bylaws providing for,
2 upon the vacancy of the position of administrator, the automatic
3 succession of a deputy administrator on an interim basis and
4 until a permanent administrator is appointed.

5 The administrator may hire staff and employees to fill
6 positions that may be provided for in the airport authority's
7 annual budget. The functions and duties of all positions shall
8 be provided for in the bylaws of the airport authority.

9 (d) The number of members of the authority necessary to
10 constitute a quorum to do business shall be a majority of the
11 members.

12 § -3 Powers; generally. Except as otherwise provided in
13 this chapter, the airport authority:

14 (1) Shall exercise power and control over airports, air
15 navigation facilities, buildings, and other facilities
16 belonging to, or controlled by, the airport authority;

17 (2) Shall provide for the landing, taking-off, and
18 servicing of aircraft, and the loading and unloading
19 of passengers and cargo;

20 (3) Shall provide for the comfort, accommodation, and
21 convenience of air travelers; and



1 (4) Shall exercise general supervision over aeronautics
2 within the State and, in connection therewith,
3 encourage, foster, and assist in the development of
4 aeronautics in the state, and encourage the
5 establishment of airports and air navigation
6 facilities;

7 (5) Shall cooperate with and assist the federal government
8 and other persons in the development of aeronautics;

9 (6) Shall seek to coordinate the aeronautical activities
10 of the State with those activities of the federal
11 government;

12 (7) May use the facilities and services of any department,
13 board, commission, or agency of the State or counties;

14 (8) May sue and be sued;

15 (9) Shall have a seal and may alter the seal at its
16 pleasure;

17 (10) May make and execute contracts and all other
18 instruments necessary or convenient for the exercise
19 of its powers and functions under this chapter;

20 (11) Shall establish bylaws for its organization and
21 internal management;



(12) Adopt rules pursuant to chapter 91 to carry out the purpose of this chapter;

(13) Shall adopt an annual budget for its operations and maintenance and capital improvements;

(14) Shall appoint officers, agents, and employees through the administrator; prescribe their duties and qualifications; and fix their salaries;

(15) May own, sell, lease, hold, clear, improve, and rehabilitate real, personal, or mixed property, and assign, exchange, transfer, convey, lease, sublease, or encumber any airport, or any project, improvement, or facility related thereto;

(16) Shall develop, construct, reconstruct, rehabilitate, improve, alter, or repair, or provide for the development, construction, reconstruction, rehabilitation, improvement, alteration, or repair of, any airport, or any project, improvement, or facility related thereto;

(17) Own, hold, assign, transfer, convey, exchange, lease, sublease, or encumber any airport or any project, improvement, or facility related thereto;



- 1 (18) Shall arrange or initiate appropriate action for the
2 planning, opening, grading, relocating, or closing of
3 streets, roads, roadways, alleys, easements, or other
4 places; the furnishing of facilities; the acquisition
5 of property or property rights; and the furnishing of
6 property, development rights, or services in
7 connection with any airport or any project,
8 improvement, or facility related thereto;
- 9 (19) May grant options or renew any lease entered into by
10 it in connection with any project, on terms and
11 conditions as it deems advisable;
- 12 (20) May engage the services of consultants on a
13 contractual basis for rendering professional and
14 technical assistance and advice;
- 15 (21) Shall procure insurance against any loss in connection
16 with its property and other assets and operations, in
17 such amounts and from such insurers as it deems
18 desirable, or provide for self-insurance;
- 19 (22) May accept and receive gifts or grants in any form
20 from any person, public entity, or source; provided



1 that the grants and gifts shall be used for airport
2 authority purposes;

3 (23) May pledge or assign all or any part of the moneys,
4 fees, rents, charges, or other revenues and proceeds
5 derived by the airport authority from the proceeds of
6 insurance or condemnation awards for the loss of
7 revenues or incurring of costs and expenses because of
8 any action taken by the airport authority;

9 (24) Shall impose, prescribe, and collect rates, rentals,
10 fees, or charges for the lease, use, and services of
11 its airport facilities at least sufficient to pay the
12 costs of operation, maintenance, and repair, if any,
13 and the required payments of the principal of, and
14 interest on, all bonds issued or assumed by the
15 airport authority and reserves therefor;

16 (25) May engage in economic development programs and
17 contract with the department of business, economic
18 development, and tourism or nonprofit corporations in
19 the furtherance of economic development;

20 (26) May take all actions necessary under emergencies such
21 as hurricanes, tsunamis, and other natural disasters;



- 1 (27) Shall plan, construct, operate, and maintain all
2 airport facilities in the State, including the
3 acquisition and use of lands necessary to stockpile
4 dredged spoils without the approval of county
5 agencies, notwithstanding any other law to the
6 contrary;
- 7 (28) May issue revenue bonds and special facility revenue
8 bonds in its name pursuant to chapter 39, but not in
9 excess of such principal amounts as are necessary for
10 its purposes or specified in covenants with
11 bondholders;
- 12 (29) May invest and secure its moneys in accordance with
13 chapters 36 and 38;
- 14 (30) May take public and private property for use in
15 furthering any of the purposes of the airport
16 authority or as otherwise provided by law; provided
17 that all proceedings for condemnation shall be
18 conducted in accordance with chapter 101;
- 19 (31) May provide compensation, allowance, or other
20 assistance to any person for relocation or



1 displacement caused by the acquisition of land for
2 airport purposes;

3 (32) May hire or contract law enforcement personnel,
4 notwithstanding any other law to the contrary; and

5 (33) May do any and all things necessary to carry out its
6 purposes and exercise the powers given to it in this
7 chapter."

8 SECTION 3. Section 261-2, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§261-2 Development of aeronautics, general. The
11 department of transportation shall have general supervision over
12 aeronautics within the State[-]; provided that beginning July 1,
13 2017, the general supervision shall be transferred to the Hawaii
14 airport authority; provided further that beginning July 1, 2017,
15 the department of transportation shall retain administrative
16 oversight of the Hawaii airport authority pursuant to chapter
17 _____. It shall encourage, foster, and assist in the
18 development of aeronautics in the State and encourage the
19 establishment of airports and air navigation facilities. It
20 shall cooperate with and assist the federal government and other
21 persons in the development of aeronautics and shall seek to



1 coordinate the aeronautical activities of the State with those
2 of the federal government. Municipalities may cooperate with
3 the department in the development of aeronautics and aeronautics
4 facilities in the State."

5 SECTION 4. Jurisdiction over aeronautics, airports,
6 including airport functions under the department of
7 transportation's airports division, shall be transferred to the
8 Hawaii airport authority on July 1, 2017.

9 SECTION 5. Beginning on July 1, 2017, the revisor of
10 statutes shall substitute the "Hawaii airport authority" in
11 chapter 261, Hawaii Revised Statutes, wherever the word
12 "department" appears, except for the amendments made to section
13 261-2, Hawaii Revised Statutes, in section 3 of this Act.

14 SECTION 6. It is the intent of this Act not to jeopardize
15 the receipt of any federal aid nor to impair the obligation of
16 the State or any agency thereof to the holders of any bond
17 issued by the State or by any such agency, and to the extent,
18 and only to the extent, necessary to effectuate this intent, the
19 governor may modify the strict provisions of this Act, but shall
20 promptly report any such modification with reasons therefor to



1 the legislature at its next session thereafter for review by the
2 legislature.

3 SECTION 7. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 8. This Act shall be liberally construed to
7 accomplish the purposes set forth herein. If any provision of
8 this Act, or the application thereof to any person or
9 circumstance, is held invalid, the invalidity shall not affect
10 the other provisions or applications of this Act that can be
11 given effect without the invalid provision or application, and
12 to this end the provisions of this Act are severable.

13 SECTION 9. All rights, powers, functions, and duties of
14 the department of department of transportation airports division
15 are transferred to the Hawaii airport authority.

16 All employees who occupy civil service positions and whose
17 functions are transferred to the Hawaii airport authority by
18 this Act shall retain their civil service status, whether
19 permanent or temporary. Employees shall be transferred without
20 loss of salary, seniority (except as prescribed by applicable
21 collective bargaining agreements), retention points, prior



1 service credit, any vacation and sick leave credits previously
2 earned, and other rights, benefits, and privileges, in
3 accordance with state personnel laws and this Act; provided that
4 the employees possess the minimum qualifications and public
5 employment requirements for the class or position to which
6 transferred or appointed, as applicable; provided further that
7 subsequent changes in status may be made pursuant to applicable
8 civil service and compensation laws.

9 Any employee who, prior to this Act, is exempt from civil
10 service and is transferred as a consequence of this Act may
11 retain the employee's exempt status, but shall not be appointed
12 to a civil service position as a consequence of this Act. An
13 exempt employee who is transferred by this Act shall not suffer
14 any loss of prior service credit, vacation or sick leave credits
15 previously earned, or other employee benefits or privileges as a
16 consequence of this Act; provided that the employees possess
17 legal and public employment requirements for the position to
18 which transferred or appointed, as applicable; provided further
19 that subsequent changes in status may be made pursuant to
20 applicable employment and compensation laws. The director of
21 transportation may prescribe the duties and qualifications of



1 these employees and fix their salaries without regard to chapter
2 76, Hawaii Revised Statutes.

3 SECTION 10. All appropriations, records, equipment,
4 machines, files, supplies, contracts, books, papers, documents,
5 maps, and other personal property heretofore made, used,
6 acquired, or held by the department of transportation relating
7 to the functions transferred to the Hawaii airport authority
8 shall be transferred with the functions to which they relate.

9 SECTION 11. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 12. This Act shall take effect upon its approval.
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Report Title:

Tourism; Transportation; Hawaii Airport Authority

Description:

Establishes the Hawaii airport authority under the department of transportation. Sets out appointment of members to the Hawaii airport authority. Sets out powers and duties of the Hawaii airport authority. Transfers the aeronautics function of DOT to the Hawaii airport authority beginning July 1, 2017. Clarifies that DOT retains administrative authority over the Hawaii airport authority.

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