
A BILL FOR AN ACT

RELATING TO AIRFIELDS.

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

1 SECTION 1. The legislature finds that Kawaihapai Airfield,
2 also known as Dillingham Airfield, has been a vital economic and
3 tourism contributor to the economy of Oahu's north shore. In
4 2019, the airfield had 33,805 aircraft operations, more than
5 Kapalua, Lanai, and Kalaupapa regional airports combined. The
6 legislature further finds that the small business tenants at
7 Kawaihapai Airfield generate over \$12,000,000 in yearly revenues
8 and employ over one hundred and thirty people, which include
9 flight instructors, pilots, aircraft maintenance personnel, tour
10 operators, office staff, and more.

11 The legislature also finds that Kawaihapai Airfield is
12 recognized around the world as a premier recreational skydiving
13 and gliding destination. For example, the Travel Channel listed
14 Kawaihapai Airfield as one of the best places in the world to
15 skydive. The travel website TripAdvisor recognized Paradise Air
16 Hang Gliding, a tenant at Kawaihapai Airfield, as one of the top
17 ten per cent of attractions worldwide.



1 The legislature finds that the department of transportation
2 leases Kawaihapai Airfield from the United States Department of
3 the Army. The department of transportation has announced that
4 it plans to exercise the early termination provision of its
5 lease agreement with the U.S. Army as of June 30, 2021, despite
6 the fact that the current lease runs until July 5, 2024.

7 The purpose of this Act is to authorize the department of
8 business, economic development, and tourism to be the lessee of
9 Kawaihapai Airfield.

10 SECTION 2. Section 201B-3, Hawaii Revised Statutes, is
11 amended by amending subsection (a) to read as follows:

12 "(a) Except as otherwise limited by this chapter, the
13 authority may:

- 14 (1) Sue and be sued;
- 15 (2) Have a seal and alter the same at pleasure;
- 16 (3) Through its president and chief executive officer,
17 make and execute contracts and all other instruments
18 necessary or convenient for the exercise of its powers
19 and functions under this chapter; provided that the
20 authority may enter into contracts and agreements for
21 a period of up to five years, subject to the



1 availability of funds; and provided further that the
2 authority may enter into agreements for the use of the
3 convention center facility for a period of up to ten
4 years;

5 (4) Make and alter bylaws for its organization and
6 internal management;

7 (5) Unless otherwise provided in this chapter, adopt rules
8 in accordance with chapter 91 with respect to its
9 projects, operations, properties, and facilities;

10 (6) Through its president and chief executive officer,
11 represent the authority in communications with the
12 governor and the legislature;

13 (7) Through its president and chief executive officer,
14 provide for the appointment of officers, agents, a
15 sports coordinator, and employees, subject to the
16 approval of the board, prescribing their duties and
17 qualifications, and fixing their salaries, without
18 regard to chapters 76 and 78, if there is no
19 anticipated revenue shortfall in the tourism special
20 fund and funds have been appropriated by the
21 legislature and allotted as provided by law;



- 1 (8) Through its president and chief executive officer,
2 purchase supplies, equipment, or furniture;
- 3 (9) Through its president and chief executive officer,
4 allocate the space or spaces that are to be occupied
5 by the authority and appropriate staff;
- 6 (10) Through its president and chief executive officer,
7 engage the services of qualified persons to implement
8 the State's tourism marketing plan or portions thereof
9 as determined by the authority;
- 10 (11) Through its president and chief executive officer,
11 engage the services of consultants on a contractual
12 basis for rendering professional and technical
13 assistance and advice;
- 14 (12) Procure insurance against any loss in connection with
15 its property and other assets and operations in
16 amounts and from insurers as it deems desirable;
- 17 (13) Contract for or accept revenues, compensation,
18 proceeds, and gifts or grants in any form from any
19 public agency or any other source;
- 20 (14) Develop, coordinate, and implement state policies and
21 directions for tourism and related activities taking



- 1 into account the economic, social, and physical
2 impacts of tourism on the State, Hawaii's natural
3 environment, and areas frequented by visitors;
- 4 (15) Have a permanent, strong focus on Hawaii brand
5 management;
- 6 (16) Conduct market development-related research as
7 necessary;
- 8 (17) Coordinate all agencies and advise the private sector
9 in the development of tourism-related activities and
10 resources;
- 11 (18) Work to eliminate or reduce barriers to travel to
12 provide a positive and competitive business
13 environment, including coordinating with the
14 department of transportation on issues affecting
15 airlines and air route development;
- 16 (19) Market and promote sports-related activities and
17 events;
- 18 (20) Coordinate the development of new products with the
19 counties and other persons in the public sector and
20 private sector, including the development of sports,



- 1 culture, health and wellness, education, technology,
2 agriculture, and nature tourism;
- 3 (21) Establish a public information and educational program
4 to inform the public of tourism and tourism-related
5 problems;
- 6 (22) Encourage the development of tourism educational,
7 training, and career counseling programs;
- 8 (23) Establish a program to monitor, investigate, and
9 respond to complaints about problems resulting
10 directly or indirectly from the tourism industry and
11 taking appropriate action as necessary;
- 12 (24) Develop and implement emergency measures to respond to
13 any adverse effects on the tourism industry, pursuant
14 to section 201B-9;
- 15 (25) Set and collect rents, fees, charges, or other
16 payments for the lease, use, occupancy, or disposition
17 of the convention center facility without regard to
18 chapter 91;
- 19 (26) Notwithstanding chapter 171, acquire, lease as lessee
20 or lessor, own, rent, hold, and dispose of the
21 convention center facility in the exercise of its



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1 powers and the performance of its duties under this
2 chapter; [~~and~~]

3 (27) Acquire by purchase, lease, or otherwise, and develop,
4 construct, operate, own, manage, repair, reconstruct,
5 enlarge, or otherwise effectuate, either directly or
6 through developers, a convention center facility[-];
7 and

8 (28) Maintain, operate, regulate, and protect airports, air
9 navigation facilities, buildings, and other facilities
10 to provide for the servicing of aircraft."

11 SECTION 3. The department of transportation shall take all
12 action necessary to effectuate the transfer of the lease for the
13 Kawaihapai Airfield to the department of business, economic
14 development, and tourism.

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

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

18

INTRODUCED BY:

JAN 26 2021



H.B. NO. 1157

Report Title:

Department of Transportation; Lease; United States Army;
Department of Business, Economic Development, and Tourism;
Kawaihapai Airfield; Dillingham Airfield

Description:

Authorizes the department of business, economic development, and tourism to maintain airfields. Requires the department of transportation to transfer the lease of Kawaihapai Airfield to the department of business, economic development, and tourism.

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