

ACT 187

S.B. NO. 2243-84

A Bill for an Act Relating to Harbors.

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

SECTION 1. Section 266-21.1, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

“(d) After June 30, 1980, the department of transportation shall not renew or issue a permit to a person who is not the owner [or lessee] of the vessel which is moored or which the person desires to moor in a state small boat harbor. Any individual who, on the effective date of this Act, is an owner of a vessel used for commercial purposes and possesses a valid mooring permit or commercial permit or both, shall have one year to transfer ownership of the vessel from personal ownership to corporate or other business ownership

without terminating the right to moor or operate the vessel under the permit or permits. The existing permit or permits shall be reissued in the name of the transferee corporation or other business entity.

For the purposes of this section, “person” means any individual, firm, partnership, corporation, trust, association, joint venture, organization, institution, or any other legal entity, and “owner” includes [a] the legal owner of a vessel where there is no security interest held by anyone on the vessel, a buyer under a purchase money security interest, a debtor under any security interest, a demise charterer of a vessel, or a lessee or charterer of a vessel[.] under a lease or charter which provides the lessee or charterer with exclusive right to possession of the vessel to the exclusion of the lessor or the person from whom the vessel is chartered. A “legal owner” includes a person who holds unencumbered title to a vessel or is a secured party under a security interest in the vessel. An owner who is issued a permit to moor a vessel in a state small boat harbor shall notify the department in writing of a transfer of interest or possession in the vessel within seven days of the transfer.

Any corporation or other business entity possessing a valid commercial permit issued by the department may, in accordance with rules adopted by the department pursuant to chapter 91, transfer any or all stock or other interest to another person without terminating its right to retain or renew its commercial permit or any other permit issued to it by the department. Any person possessing a commercial permit shall be required to meet minimum revenue standards, as provided by rules adopted by the department pursuant to chapter 91, as a condition of retaining or renewing the commercial permit.”

SECTION 2. Section 266-25, Hawaii Revised Statutes, is amended to read as follows:

“§266-25 Violation of [regulations;] rules; penalty. Any person who violates any rule [or regulation] made, adopted, and published by the department of transportation as herein provided, or who violates any lawful command of any [pilot,] harbor master, [or assistant pilot or] harbor [master,] agent, or harbor district manager, while in the discharge of his duty or who violates this chapter, shall be fined not more than \$1,000 for each offense, and any vessel, the agents, owner, or crew of which violate the rules [and regulations] of the department or this chapter, shall be fined not more than \$1,000 for each violation[.]; provided that, in addition to, or as a condition to the suspension of the fines and penalties, the court may deprive the offender of the privilege of operating or mooring any vessel in state waters for a period of not more than two years.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.

**SECTION 4. This Act shall take effect upon its approval.**

**(Approved May 29, 1984.)**