

Honolulu, Hawaii

March 25, 2015

RE: S.B. No. 2
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PILOTAGE,"

begs leave to report as follows:

The purpose of this measure is to continue to ensure the safe movement of all types of vessels in Hawaii's commercial harbors by amending laws applicable to port pilots. Specifically, this measure:

- (1) Requires a vessel and the owner or operator of the vessel to defend, indemnify, and hold harmless the pilot, any pilot association to which the pilot belongs, and their officers and employees, with respect to liability arising from any claim, suit, or action, by whomever asserted, resulting in whole or in part from any act, omission, or negligence of the pilot, any pilot association to which the pilot belongs, and their officers and employees;
- (2) Requires the Director of Commerce and Consumer Affairs to develop licensure renewal standards and requirements for port pilots;



- (3) Specifies that port pilots applying for a renewal of their license do so in accordance with the Uniform Professional and Vocational Licensing Act;
- (4) Requires that every vessel, not just those involved in trade or commerce, entering or departing from any port in the State or traversing the waters of the State designated as pilotage waters to employ a licensed pilot unless otherwise exempt; and
- (5) Exempts vessels under 300 gross tons from pilotage regulation.

The Hawaii Association for Justice and Island Ventures Limited testified in support of this measure. The Hawaii Pilots Association supported the intent of this measure. Cruise Line International Association-North West and Canada Cruise Association testified in opposition to this measure. The Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs provided comments.

Port pilots have the responsibility of ensuring the safe movement of all types of vessels in Hawaii's commercial harbors, including cruise ships, oil tankers, and container ships. Port pilots go aboard ships before they enter or depart from a harbor. Once on board a ship, the pilot assumes command of the vessel and directs the movement of the vessel throughout the harbor. Inattention, complacency, wrong decision-making, or a simple mistake by the port pilot could lead to vessel casualty with high monetary damages or loss of life, the end of the pilot's career, and financial loss for the pilot. This high risk of liability could hinder efforts to attract and maintain sufficient numbers of qualified pilots and threaten the State's ability to maintain effective compulsory pilotage systems.

While a need to limit the liability of port pilots in Hawaii appears to exist, the method in which to do so is a point of disagreement among interested parties. Your Committee notes that this is a complex issue that needs further discussion prior to providing some form of limited liability for port pilots.

Your Committee also notes concerns raised by the Professional and Vocational Licensing Division that, under this measure, investigations and examinations would be required for the renewal of a port pilot's license, a requirement that is not imposed on any other profession in Hawaii.



Accordingly, your Committee has amended this measure by:

- (1) Deleting provisions regulating the liability of port pilots;
- (2) Deleting the requirement that investigations and examinations be conducted for the renewal of a port pilot's license; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2, S.D. 2, H.D. 1, and be referred to the Committees on Judiciary and Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,


HENRY J.C. AQUINO, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 1095

Record of Votes of the Committee on Transportation

Bill/Resolution No.: SB2, SD2	Committee Referral: TRN, JUD/CPN	Date: 3/23/15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. AQUINO, Henry J.C. (C)	X			
2. LOPRESTI, Matthew S. (VC)	X			
3. HAR, Sharon E.				X
4. ICHIYAMA, Linda	X	WR		
5. JOHANSON, Aaron Ling	X	WR		
6. KEOHOKALOLE, Jarrett	X	WR		
7. NAKASHIMA, Mark M.				X
8. SAN BUENAVENTURA, Joy A.	X	WR		
9. TAKAYAMA, Gregg	X	WR		
10. TAKUMI, Roy M.	X	WR		
11. YAMASHITA, Kyle T.	X	WR		
12. TUPOLA, Andria P.L.		(MSL)		X
TOTAL (12)	9			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – RMSO				