

CAYMAN ISLANDS



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THE AIRPORTS AUTHORITY LAW, 2004

(LAW 7 OF 2004)

THE AIRPORTS AUTHORITY LAW, 2004

ARRANGEMENT OF SECTIONS

PART I - PRELIMINARY

1. Short title and commencement.
2. Interpretation.

**PART II – ESTABLISHMENT AND ADMINISTRATION OF
AIRPORTS AUTHORITY**

3. Establishment of the Airports Authority and vesting of property.
4. Use of seal and authentication of documents.
5. Functions of the Authority.
6. Long range plans for airports.
7. Discontinuation of airports.
8. Accidents involving aircraft.
9. Minister may give general directions
10. Constitution and responsibilities of the Board of the Authority.
11. Meetings of the Board.
12. Disclosure of director's interests.
13. Director's pecuniary interests.

PART III – PERSONNEL OF THE AUTHORITY

14. Chief Executive Officer.
15. Functions of the Chief Executive Officer.
16. Power to employ staff, etc.
17. Transfer of public officers to the Authority.
18. Pension fund.
19. Medical care for employees of the Authority and applicability of Health Insurance Law (2003 Revision).

PART IV – FINANCIAL PROVISIONS

20. Revenue of the Authority.
21. Financial year.
22. Capital and borrowing powers of the Authority.
23. Advances, grants and guarantees.
24. Repayment of advances, etc.
25. Reserve fund.

- 26. Applicability of Public Management and Finance Law (2003 Revision).
- 27. Power of Authority regarding funds, gifts, land etc.
- 28. Application of funds by the Authority.

PART V - GENERAL

- 29. Airports designated.
- 30. Disposal of premises no longer required by the Authority.
- 31. Prescribed activities at airports.
- 32. Security at airports.
- 33. Compliance with Authority's directions.
- 34. Lien on aircraft.
- 35. Articles in care of Authority.
- 36. Public auction.
- 37. Arrest without warrant.
- 38. Proof of commission of offence.
- 39. Power of constable to request particulars.
- 40. Removal of animals.
- 41. Regulations.
- 42. Rules.
- 43. Immunity.
- 44. Indemnity.
- 45. Savings provisions.

Schedule 1 - Property to be vested in the Airports Authority

Schedule 2 - Disposition of Property to the Airports Authority, under the
Governor (Vesting of Lands) Law (1998 Revision)

Schedule 3 - Airports

CAYMAN ISLANDS

Law 7 of 2004.

I Assent

B. H. Dinwiddy

Governor.

21 April, 2004

**A LAW TO ESTABLISH THE CAYMAN ISLANDS AIRPORTS
AUTHORITY WITH RESPONSIBILITY FOR CONSTRUCTING,
CONTROLLING AND MANAGING AIRPORTS; PROVIDING AND
MAINTAINING RUNWAYS, TAXIWAYS AND TERMINALS FOR THE
EFFICIENT OPERATION OF AIRPORTS; PROVIDING FACILITIES
FOR CUSTOMS AND IMMIGRATION SERVICES, AND HEALTH AND
SECURITY CHECKS; AND FOR INCIDENTAL AND CONNECTED
PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

PART I - PRELIMINARY

1. (1) This Law may be cited as the Airports Authority Law, 2004.

Short title and
commencement

(2) This Law shall come into force on such date as may be appointed by order made by the Governor and different dates may be appointed for different provisions of this Law.

2. In this Law -

Interpretation

“air navigation services” includes facilities, directions and information, furnished, issued or provided for the purpose of or in connection with –

- (a) the navigation or movement of aircraft in the air or on the ground; or

- (b) the control or movement of vehicles in any part of an airport used for the movement of aircraft other than movement on the apron;

“airport” means an area on land or water (including any buildings, installations, and equipment) intended to be used either wholly or in part for the arrival, departure and surface movement of aircraft, and which is designated an airport under section 29;

“apron” means an area in an airport on land, intended to accommodate aircraft for the purposes of loading or unloading passengers, mail or cargo, fuelling, parking, or maintenance of aircraft;

“authorised person” means a person authorised in writing by the Governor to exercise the particular power referred to in this Law where those words appear;

“Authority” means the Cayman Islands Airports Authority established under section 3;

“Board” means the board of directors of the Authority established under section 10;

“CAA” means the Civil Aviation Authority of the Cayman Islands established under section 3(1) of the Civil Aviation Authority Law (1997 Revision);

“chairman” means the chairman of the Board;

“Chief Executive Officer” means the person appointed as such under section 14;

“deputy chairman” means the deputy chairman of the Board;

“director” means a member of the Board appointed under section 10(4);

“Director-General” means the Director-General of Civil Aviation;

“financial year” means a year ending on 30th June;

“functions” includes responsibilities, powers and duties;

“funds” includes monies, stocks, shares and other securities;

“Governor”, except in section 7(1), means the Governor in Cabinet;

“ICAO” means the International Civil Aviation Organisation established by the Convention on International Civil Aviation, signed in Chicago on 7th December 1944;

“Minister” means the Member of Cabinet for the time being charged with responsibility for civil aviation in accordance with section 9 of the Constitution;

“property” includes -

- (a) money, goods, things in action, land and every description of property, whether real or personal; and
- (b) obligations, easements and every description of estate, interest and profit, present or future, vested or contingent, arising out of or incident to property as defined in paragraph (a);

“public officer” has the meaning assigned to that expression in the Constitution;

“restricted area” means an area of land or building under the control of the Authority to which public access is restricted; and

“vehicle” includes every type of wheeled or tracked vehicle capable of being driven, towed or pushed and includes animal drawn carts and carriages.

PART II – ESTABLISHMENT AND ADMINISTRATION OF AIRPORTS AUTHORITY

3. (1) There is established the Cayman Islands Airports Authority having the functions conferred upon it by this Law and any other Law.

Establishment of the
Airports Authority and
vesting of property

(2) The Authority shall be a body corporate having perpetual succession and a common seal and, subject to the provisions of this Law, shall have power to buy, sell, hold, deal and otherwise acquire and dispose of land and other property of any kind and to enter into contracts and to do all things necessary or desirable for the purposes of its functions.

(3) The Authority may sue and be sued in its corporate name and it shall have exclusive right to use the name “the Cayman Islands Airports Authority”.

(4) The Authority shall establish and maintain its head office and principal place of business within the Islands, and shall cause details thereof to be gazetted, and service of all documents on the Authority shall be deemed to be effective if delivered at the head office.

(5) The property belonging to the CAA specified in Schedule 1 shall, on the date this section comes into force, vest in the Authority without further assurance.

Schedule 1

Schedule 2
(1998 Revision)

(6) The Governor may, under section 9 of the Governor (Vesting of Lands) Law (1998 Revision), make to the Authority a disposition of the property belonging to the Governor specified in Schedule 2.

Use of seal and
authentication of
documents

4. (1) The seal of the Authority shall be authenticated by the chairman or deputy chairman and one other director of the Board authorised to act in that behalf and shall be judicially noticed.

(2) The Authority may, by resolution, appoint an officer of the Authority or any other agent either generally or in a particular case to execute or sign on behalf of the Authority any agreement or other instrument not under seal in relation to any matter coming within the powers of the Authority.

Functions of the
Authority

5. (1) The functions of the Authority are -

- (a) to plan, develop, redevelop, construct, administer, control and manage airports, and any other property vested in it under this Law;
- (b) to provide and maintain such runways, taxiways, aprons, terminals and other services and facilities, including associated lighting fixtures, as are in its opinion necessary or desirable for the efficient operation of airports or as the Governor or the Director-General may require; but, except with the consent of the Governor, the Authority shall not provide any air navigation services or air traffic control services;
- (c) to provide or make adequate arrangements for the provision of rescue and fire fighting equipment and services at airports, and to carry out regular drills and exercises and other checks of all security and safety equipment;
- (d) to provide or make adequate arrangements for the provision of meteorological services to the CAA and to users of any airport;
- (e) to provide adequate facilities for the exercise of the regulatory powers of the Government, including customs, immigration, health and security checks, or by itself to exercise such regulatory powers of customs, immigration, health and security where the Governor with the concurrence of the Minister, so directs;
- (f) to collect prescribed or approved dues, rents, landing and parking fees and charges;
- (g) to ensure that the airports conform to the standards and recommended practices of the ICAO; and
- (h) to provide and maintain such other services and facilities as are in its opinion necessary or desirable to meet the requirements of

the travelling public, service providers, employees and other persons at airports.

(2) In the exercise of its functions the Authority may -

- (a) construct, alter and maintain buildings at airports and elsewhere;
- (b) purchase or otherwise acquire land or buildings;
- (c) grant on such terms and conditions as the Authority thinks fit, authority to carry on any trade or business at airports;
- (d) grant leases, sub-leases or other interests or concessions in respect of land or buildings within an airport on such terms and conditions and subject to the payment of rent or other consideration as the Authority may think fit;
- (e) take all necessary steps to prevent unlawful interference with navigational aids and facilities and communications systems located on airports; and
- (f) carry on such activities as appear to it advantageous, necessary or desirable for or in connection with the exercise and performance of its functions.

(3) In giving effect to the provisions of subsections (1) and (2) the Authority shall -

- (a) have regard to the development of air transport and to efficiency, economy and safety of operation; and
- (b) in accordance with section 5(1)(g), take adequate measures for the protection and preservation of the environment, and to prevent or deal with noise, vibration, pollution or any other disturbance attributable to aircraft used for the purpose of civil aviation.

(4) The Authority shall perform its functions through the Chief Executive Officer.

(5) The Authority shall issue, to the Chief Executive Officer, policy directions with respect to any matters for which the Chief Executive Officer has responsibility under this Law.

(6) The Authority shall, annually, prepare a report of its activities during the preceding year, and such report shall be laid on the table of the Legislative Assembly.

6. (1) Except in so far as may be allowed by general directions of the Minister, the Authority shall not proceed with the implementation of any long range plans for the development of any airport except in accordance with the

Long range plans for
airports

provision of a scheme made by the Authority and submitted to the Minister and approved by the Governor.

(2) For the purposes of this section -

“long range plans” means plans -

- (a) which have been formulated on the basis of statistics compiled in respect of movements of traffic, cargo and passengers within the airport; and
- (b) which have been projected to meet estimated requirements for development five years or more after the formulation of such plans.

(3) Nothing in subsection (1) shall be construed as precluding the grant of any authority under section 5(2)(c) or of any lease, sub-lease, or other interest or concession under section 5(2)(d) for a period in excess of five years.

Discontinuation of
airports

7. (1) The Authority shall not without the written consent of the Governor temporarily close to air traffic, discontinue the use of, or divest itself of the management of, any airport.

(2) Notwithstanding subsection (1), the Chief Executive Officer may temporarily close to air traffic any airport if, in his opinion, the Authority is unable to provide for the safe operation of that airport.

(3) Notwithstanding subsection (1), the Authority shall discontinue the use of any airport if so directed by the Director-General, if in his view the airport does not meet the requirements for safe operation.

Accidents involving
aircraft

8. (1) The Authority shall in the event of an accident or incident involving aircraft, or any interference or damage to navigational aids, immediately bring such matter to the notice of the Director-General and act only on his instructions.

(2) No attempt shall be made by the Authority to move a damaged aircraft or to effect repairs to it or to damaged navigational aids except on the written instructions of the Director-General.

Minister may give
general directions

9. (1) The Minister may, after consultation with the Authority, give such general and lawful directions in written form as to the policy to be followed by the Authority in the performance of its functions, and the Authority shall give effect to such directions.

(2) Any direction given or decision made by the Minister which affects the members of the public and which is not of an internal or administrative

nature, shall be published in the Gazette; but no such direction shall apply in respect of a matter pending before the Authority on the day on which the directions are published.

10. (1) The Authority shall have a board of directors which shall be responsible for the policy and general administration of the affairs and business of the Authority.

Constitution and responsibilities of the Board of the Authority

(2) Without prejudice to the generality of subsection (1), the Board shall be responsible for -

- (a) securing the effective implementation of the functions of the Authority;
- (b) overseeing the effective performance of the Authority; and
- (c) setting operational priorities with regard to the planning, development, redevelopment and construction of airports.

(3) The Board shall have power to -

- (a) act by sub-committee; and
- (b) delegate any of its daily administrative duties and powers from time to time to such sub-committees and to any of their own number and to the employees and agents of the Authority,

except that where the Board sets up a sub-committee which consists of members other than directors and employees of the Authority, it may only act or delegate its duties or powers to such sub-committee with the approval of the Governor.

(4) The Board shall consist of not less than five nor more than nine directors of whom -

- (a) one shall be chairman;
- (b) one shall be deputy chairman; and
- (c) two shall be public officers,

to be appointed for not less than three years by the Governor, but who shall hold office at his pleasure.

(5) A director shall be eligible for reappointment.

(6) The validity of any proceedings of the Board shall not be affected by any vacancy among the directors or by any defect in the appointment of a director.

(7) The Board shall appoint an individual, not being a director, to be the secretary of the Authority, who shall be present at all meetings and shall take minutes of the business transacted.

(8) There shall be paid to any director (other than a public officer), such remuneration as the Governor may determine.

(9) The Governor shall terminate the appointment of any director who -

- (a) resigns his office;
- (b) becomes of unsound mind or incapable of carrying out his duties;
- (c) becomes bankrupt or suspends payment to or compounds with his creditors;
- (d) is convicted in the Islands or elsewhere of any offence involving dishonesty or fraud;
- (e) is guilty of serious misconduct in relation to his duties;
- (f) is absent without leave of the chairman from three consecutive Board meetings; or
- (g) fails to comply with his obligations under section 12.

(10) If any director dies or resigns or otherwise vacates his office before the expiry of the term for which he has been appointed, another person may be appointed by the Governor for the unexpired period of the term of office of the director in whose place he is appointed.

Meetings of the Board

11. (1) The chairman of the Board shall summon regular meetings of the Board as often as may be required but not less than ten times in any one year.

(2) Meetings of the Board shall be held at such places on such days, and at such times as the chairman shall determine, and due notice of such place, date and time shall be given to each director in writing at least seven days before the time at which the meeting is to be held.

(3) The chairman may at any time call a special meeting of the Board within two days of receipt of request for that purpose addressed to him in writing and signed by any three directors.

(4) A meeting of the Board shall be presided over by -

- (a) the chairman; or
- (b) in the absence of the chairman, the deputy chairman; or
- (c) in the absence of both the chairman and deputy chairman, such director as the directors present elect to act as chairman at that meeting.

(5) The quorum of the Board shall be a majority of the appointed directors.

(6) Every question or matter to be determined by the Board at any meeting shall be decided by a majority of the votes of the directors present and voting on the question or matter and in the event of any equal division of votes on any question or matter the person presiding at the meeting shall give a second or casting vote.

(7) The decisions, resolutions, orders, policies and rules made by the Board shall be recorded in the minutes and kept by the secretary to the Board; and the Board shall cause any decision, resolution, order, policy or rule which affects the members of the public to be published in the Gazette, in a website or in a newspaper of the Islands.

12. (1) If a director has any pecuniary interest, direct or indirect, in any contract, proposed contract, licence or other matter and is present at a meeting of the Board at which any of the foregoing is to be considered, he shall at or before the meeting or before the matter is considered disclose the fact and shall leave the meeting for the duration of and not take part in the consideration or discussion of or vote on the matter.

Disclosure of director's
interests

(2) If any director fails to comply with subsection (1) he shall be guilty of an offence and liable -

- (a) on summary conviction to a fine of twenty thousand dollars or imprisonment for a term of two years, or both; or
- (b) on conviction on indictment to a fine of fifty thousand dollars or imprisonment for a term of three years, or both,

unless he proves that he did not know that the matter in which he had a pecuniary interest was the subject of consideration at that meeting.

(3) A disclosure under subsection (1) shall be recorded in the minutes of the Board meetings.

(4) No act or proceeding of the Board shall be questioned on the ground that a director contravened this section.

(5) This section does not apply to an interest in a contract or licence or proposed contract or licence or other matter which a director has as a member of the public or to an interest in any matter relating to the terms on which the right to participate in any service is offered to the public.

Director's pecuniary
interests

13. (1) For the purposes of section 12, a director shall be treated as having an indirect pecuniary interest in a contract, proposed contract, licence or other matter if -

- (a) he or any nominee of his is a member of a company or other body which has a direct or indirect pecuniary interest in the contract, proposed contract, licence or other matter under consideration;
- (b) he is a partner, or in the employment of a person with whom the contract was made or is proposed to be made, or who has a direct or indirect pecuniary interest in the contract, proposed contract, licence or other matter under consideration; or
- (c) he or any partner of his is a professional adviser to a person who has a direct or indirect pecuniary interest in a contract, proposed contract, licence or other matter under consideration.

(2) Subsection (1) does not apply to membership of, or employment by, any public body.

(3) In the case of married persons the interest of one spouse shall be deemed for the purpose of section 12 to be also the interest of the other.

(4) The Governor may subject to such conditions as he may think fit appoint persons to act as directors for any specified period, in any case in which the number of directors disabled by section 12 at any one time would be so great a proportion of the whole as to impede the transaction of business by the Board.

PART III – PERSONNEL OF THE AUTHORITY

Chief Executive Officer

14. (1) The Board shall appoint a person to be the Chief Executive Officer of the Authority, at such remuneration and on such terms and conditions as the Board may think fit.

(2) The Chief Executive Officer shall be a full time officer and employee of the Authority, and shall render his services exclusively to the Authority.

(3) The Chief Executive Officer shall be an ex officio member of the Board and shall be answerable to the Board for his acts and decisions.

(4) In the Chief Executive Officer's absence or inability to fulfil his functions, the Board may appoint a senior employee of the Authority to discharge the functions of the Chief Executive Officer during the period of his absence or disability.

15. (1) The Chief Executive Officer shall be the principal executive officer of the Authority entrusted with the day to day management and administration to the extent of the authority delegated to him by the Board.

Functions of the Chief
Executive Officer

(2) The Chief Executive Officer shall manage civil aviation services on behalf of the Authority, subject to the directions of the Board, and to this end shall be responsible for -

- (a) the day-to-day management of airports;
- (b) financial and operational matters relating to airports;
- (c) the overall safety and security of airport operations;
- (d) developing administrative and human resources development manuals for approval by the Board; and
- (e) preparing regular financial and operational reports for the Board.

16. (1) Subject to the approval of the Board, the Chief Executive Officer may employ, at such remuneration and on such terms and conditions as may be approved from time to time by the Board, such employees and engage under contract for services such professional, technical or other assistance, as the Chief Executive Officer considers necessary to carry out the functions of the Authority.

Power to employ staff,
etc.

(2) Subject to this Law, the Board shall determine the executive, management and administrative structure of the Authority for the necessary and proper discharge of the functions of the Authority including, without limitation, the delegation of functions to directors and employees and to sub-committees of the Board.

(3) The Chief Executive Officer shall also determine -

- (a) the professional qualifications and requirements of the employees of the Authority and persons under contracts for services with the Authority;
- (b) the terms and conditions of employment and contracts for services with the Authority; and
- (c) disciplinary procedures (including a right of appeal to the Board) for employees of and for persons under contracts for services with the Authority.

17. (1) A public officer employed in the CAA on the date this section comes into force, may be offered employment by the Authority and, if he accepts the offer, shall become an employee of the Authority on terms and conditions of employment no less favourable than those that applied to his office in his employment in the CAA except -

Transfer of public
officers to the Authority

- (a) to the extent other terms and conditions are agreed between such employee and the Authority; and
- (b) that disciplinary matters shall be dealt with in accordance with the Labour Law (2001 Revision) and the disciplinary rules and procedures of the Authority and not under General Orders.

(2) Pension arrangements and medical benefits relating to any employee specified under subsection (1) shall be subject to sections 18 and 19, respectively.

Pension fund
(2003 Revision)

18. (1) The Authority shall subscribe to the Public Service Pensions Fund in accordance with the provisions of the Public Service Pensions Law (2003 Revision) for the payment of pensions to all employees of the Authority.

(2) Notwithstanding subsection (1) -

- (a) where an employee transferred in accordance with section 17 is entitled to a contracted officer's supplement the Authority shall not subscribe to the Public Service Pensions Fund in respect of such employee during the period in which the employee remains entitled to such supplement;
- (b) with respect to employees employed by the Authority after the date of the commencement of this section and who have not been transferred in accordance with this Law, the Authority has the option of subscribing to the Public Service Pensions Fund or of creating and maintaining or subscribing to a fund in accordance with the provisions of the National Pensions Law (2000 Revision); and
- (c) the Authority shall not subscribe to any fund in respect of those employees who are employed under contracts which are six months or less in duration.

(2000 Revision)

(2003 Revision)

(3) The Authority shall be considered to be an employer for the purposes of the Public Service Pensions Law (2003 Revision) and an employee transferred in accordance with section 17 shall not be considered to have retired from Service for the purposes of that Law.

Medical care for
employees of the
Authority and
applicability of Health
Insurance Law (2003
Revision)

19. The Health Insurance Law (2003 Revision) shall apply to the Authority except that -

- (a) the Authority may elect to provide free or subsidised medical benefits in lieu of, or in addition to, insurance coverage under the Health Insurance Law (2003 Revision); and
- (b) any person described in section 17 shall, unless otherwise notified by the Authority, be entitled to receive from the

Authority the medical benefits provided to him on the day preceding his transfer to the Authority.

PART IV – FINANCIAL PROVISIONS

20. (1) The receipts of the Authority shall be classified under the following heads of receipt - Receipts of the Authority

- (a) dues, rents and charges received by virtue of this Law;
- (b) departure tax received by virtue of section 4 of the Travel (Departure Tax and Environmental Protection Fee) Law (2003 Revision); (2003 Revision)
- (c) security tax received by virtue of the Airports (Security Tax) Regulations (2003 Revision); (2003 Revision)
- (d) amounts borrowed by the Authority;
- (e) miscellaneous receipts, including interest on and service of investments; and
- (f) aircraft landing and parking fees;

and such receipts shall, within seven days of receipt thereof, be paid into a bank account approved by resolution by the Board.

(2) The receipts of the Authority shall be applied to meet the following heads of expenditure -

- (a) reimbursement to the Government of all sums certified by the Financial Secretary as having been borrowed by the Government for airport purposes and the repayment of which is outstanding at the date of the coming into force of this section, and the arrangements for reimbursing such sums shall be such as may be determined by the Governor;
- (b) reimbursement to the Government of all loans certified by the Financial Secretary as having been borrowed by the Government for airport purposes and the repayment of which is outstanding at the date of the coming into force of this section, and the arrangements for reimbursing such sums shall be such as may be determined by the Governor;
- (c) repayment of funds provided by the Governor pursuant to this Law;
- (d) repayment of overdraft, if any, on current account;
- (e) interest on loans;
- (f) sinking fund on loan redemption;
- (g) repairs and maintenance of buildings and equipment, and other current expenses;
- (h) reserve funds for depreciation, bad debts and renewals;

- (i) salaries, pensions, gratuities and other benefits of persons employed by the Authority;
- (j) training of employees of the Authority;
- (k) general reserve fund; and
- (l) any other expenditure, capital or otherwise, approved by the Authority.

(3) The Authority shall make an annual payment into the general revenue of the Islands, calculated by a formula determined by the Financial Secretary after consulting the Authority and the Minister, and the balance shall be carried forward to the account of the Authority.

(4) No receipts under subsection (1)(d) shall be taken into account in calculating the amount of any annual payment into the general revenue of the Islands pursuant to subsection (3).

Financial year

21. The financial year of the Authority shall end on 30th June.

Capital and borrowing
powers of the Authority

22. (1) The Governor shall establish an appropriate mechanism for determining on-going injections of capital into the Authority and the continuing operational funding requirements of the Authority.

(2) The Authority may from time to time with the approval of the Governor vary the amount of the authorised capital of the Authority.

(3) The Authority shall have the power to borrow for or in connection with the performance of its functions.

(4) The power of the Authority to borrow any amount in excess of one hundred thousand dollars shall be exercisable only with the approval of the Governor, as to the amount, sources of the borrowing and terms on which the borrowing may be effected, and an approval given in any respect for the purpose of this subsection may be either general or limited to a particular borrowing or otherwise, and may be either unconditional or subject to conditions.

Advances, grants and
guarantees

23. (1) The Governor may, from time to time, make advances and grants to the Authority out of sums placed upon the estimates of the Islands for the purpose and approved by the Legislative Assembly.

(2) With the approval of the Legislative Assembly, the Governor may guarantee, in such manner and on such conditions as he thinks fit, the payment of the principal and interest on any authorised borrowings of the Authority.

(3) Where the Governor is satisfied that there has been default in the repayment of any principal moneys or interest guaranteed under subsection (2), he shall, with the prior approval of the Finance Committee of the Legislative Assembly, direct the repayment out of the general assets and revenue of the Islands of the amount in respect of which there has been such default.

24. The Authority shall pay into the Treasury, at such times and in such manner as the Governor may direct, such amounts as may be so directed in or towards repayment of advances made to the Authority under section 23, and any sums issued in fulfilment of any guarantee given thereunder, and shall pay into the Treasury interest on what is outstanding for the time being in respect of such advances, and any sum so issued at such rate as the Governor may direct, and different rates of interest may be directed as respect different advances or sums and as respect interest for different periods.

Repayment of advances, etc.

25. (1) The Authority shall maintain a reserve fund.

Reserve fund

(2) Subject to subsection (3), the management of the reserve fund, the sums to be carried, from time to time, on the credit thereof, and the application thereof, shall be as the Authority may determine.

(3) No part of the reserve fund shall be applied otherwise than for the purposes of the Authority.

(4) The Authority may invest its reserve funds at interest.

26. (1) The Authority is a statutory authority as defined in section 3 of the Public Management and Finance Law (2003 Revision) and accordingly the provisions of that Law apply, among other things, to -

Applicability of Public Management and Finance Law (2003 Revision)

- (a) the Authority's expenditure budget for each financial year; and
- (b) the preparation, maintenance, auditing and publication of the Authority's accounts.

(2) Where the exercise of any power conferred by or under this Law would be inconsistent with the exercise of a power conferred by or under the Public Management and Finance Law (2003 Revision), the provisions of the Public Management and Finance Law (2003 Revision) shall to the extent of the inconsistency prevail over the provisions of this Law.

27. (1) The Authority shall have the power -

Power of Authority regarding funds, gifts, land etc.

- (a) to receive all funds or gifts in kind given or bequeathed to the Authority, or to the Government for the purposes of the Authority, or given or bequeathed by words showing an intention

that the funds or gifts should inure to or for the benefit of the Authority; and

- (b) to acquire by purchase, gift or demise, and hold in their corporate capacity, with the previous sanction in each case of the Governor but not otherwise, any land in the Islands required to further the purposes of the Authority.

(2) Subject to the provisions of this Law, the Authority shall apply all such funds or gifts specified in subsection (1)(a) or, if such funds are invested, the income derived therefrom, to furthering the purposes of the Authority in such manner as the Authority thinks fit.

(3) The powers conferred by subsection (1) shall not be exercised in any manner inconsistent with any condition or action imposed or given by the donor or testator with respect to such fund or gift.

(4) The following provisions shall have effect with respect to funds received by the Authority by way of gift or bequest for the purposes of the Authority -

- (a) the Authority may invest liquid funds in such securities as the Authority may determine, and shall so invest any such funds that are given or bequeathed for the endowment of the Authority;
- (b) the Authority may realise any funds that are in a state of investment, and any funds so realised which are given or bequeathed for the endowment of the Authority shall, as soon as may be practicable or expedient, be reinvested by the Authority; and
- (c) funds which, when received by the Authority, are in any investment, may be retained by the Authority in that investment.

Application of funds by
the Authority

28. (1) Subject to the provisions of section 27, any funds appropriated by the Legislative Assembly for the purposes of the Authority, any income derived from fees and any other income of the Authority, shall be held and applied to furthering the purposes of the Authority in such manner as the Authority may think fit.

(2) Any funds appropriated by the Legislative Assembly for the purposes of the Authority shall be applied by the Authority in accordance with the terms of the appropriation.

PART V - GENERAL

Airports designated
Schedule 3

29. (1) The airports specified in Schedule 3 are designated as airports.

(2) The Governor may by order amend Schedule 3.

30. (1) The Authority shall each year review its requirements for premises, and any premises in the possession of the Authority which are no longer required for the purposes of the Authority shall be disposed of in accordance with this section.

Disposal of premises no longer required by the Authority

(2) Premises which were transferred to the Authority by the Government for no consideration or for a nominal consideration shall be transferred by the Authority to the Government for no consideration or for the same nominal consideration, as the case may be.

(3) Premises other than those to which subsection (2) applies shall be offered to the Government for purchase at a fair market value; and any appraisal of real property in relation to this subsection shall be made according to the principles of valuation used by the Ministry responsible for lands.

(4) Where Government does not wish to purchase the premises offered to it under subsection (3) it shall notify the Authority in writing within twenty-one days of the receipt of the offer, after which the Authority may dispose of the premises on the open market to the Authority's best advantage.

31. (1) Notwithstanding any provision of this Law, the Governor may, after consultation with the Authority, by order published in the Gazette authorise prescribed activities relating to the administration, control and management of airports to be carried out by such person or persons (in this section referred to as a "prescribed company") in place of the Authority as the Governor thinks fit.

Prescribed activities at airports

(2) Any order made pursuant to subsection (1) may -

- (a) modify the provisions of this Law so as to provide for the imposition and collection of charges by a prescribed company as respects its functions pursuant to this Law;
- (b) contain provisions transferring from the Authority to the prescribed company assets and liabilities on such terms and for such period as may be specified in the order; and
- (c) make such other consequential, supplemental or ancillary provisions as appear to the Governor to be necessary or desirable.

(3) An order made under this section shall be subject to affirmative resolution.

(4) In this section "prescribed activities" means activities authorised to be carried out by a prescribed company pursuant to an order under this section.

Security at airports	<p>32. (1) The Authority shall consult the Security Committee on all matters relating to security at all airports.</p> <p>(2) The Authority shall, with the advice and assistance of the Security Committee -</p> <ul style="list-style-type: none">(a) develop and implement at all airports security measures and procedures adequate to the requirements of international civil aviation, and ensure the effectiveness of such security measures and procedures; and(b) develop and implement airport security training programmes adequate to meet the requirements of international civil aviation. <p>(3) In this section -</p> <p>“Security Committee” means the National Aviation Security Committee established upon the implementation of the Cayman Islands National Civil Aviation Security Programme on 21st December, 1993.</p>
Compliance with Authority’s directions	<p>33. An aircraft commander present in the Islands and an owner of an aircraft which is within the Islands shall comply with this Law and with directions of the Authority as to parking and other movement on the aprons, when not under the directions of the CAA, and as to such compliance with this Law, and shall pay such fees as may be prescribed for such aircraft.</p>
Lien on aircraft	<p>34. The Authority has a lien on every aircraft for the recovery of airport dues, fees or other charges imposed for the performance of functions exercised under this Law or any regulations made hereunder.</p>
Articles in care of Authority	<p>35. The Authority is not, with respect to anything entrusted to its care, a bailee for reward and has no liability for loss or damage occasioned thereto unless such loss or damage is due to the wilful neglect or default of the Authority.</p>
Public auction	<p>36. The Authority may enter, take control of and arrest and sell by public auction or private arrangements in compliance with any rules or regulations to that effect any aircraft over which it has a lien.</p>
Arrest without warrant	<p>37. (1) Notwithstanding any other provision of this Law, a constable or an authorised person may, within any airport or any area under the control of the Authority, arrest without warrant any person who -</p> <ul style="list-style-type: none">(a) is contravening or is suspected of contravening or having contravened this Law or regulations made or deemed to have been made hereunder;

- (b) having been so requested under section 42, fails or refuses to correctly state his name and address or the purpose of his being at the airport or other area; or
- (c) having been removed from a restricted area under section 42, returns or attempts to return thereto without the approval of a constable or an authorised person.

(2) Any person arrested under subsection (1) by an authorised person shall as soon as practicable be handed over by him to a constable or taken by him to a police station.

38. Where an offence is alleged to have taken place at an airport or in a restricted area it shall be deemed so to have taken place unless the contrary is proved.

Proof of commission of offence

39. Any person suspected of having contravened or of being about to contravene any of the regulations made under this Law shall upon being requested so to do by a constable or an authorised person correctly state his name and address and the purpose of his being at the airport or within a restricted area, and upon his failure so to do, may be removed from the airport or restricted area or any part thereof and prohibited from re-entering by such constable or authorised person.

Power of constable to request particulars

40. A person found contravening section 37 or any regulation made under this Law may be removed from and prohibited from re-entering the area to which the regulation applies by a constable or by an authorised person, and any vehicle, animal or thing found in such area in contravention of any such regulation may be removed by a constable or any authorised person, and upon summary conviction for such contravention, the owner or person in charge of such vehicle, animal or thing may, in addition to such other penalty as may be imposed by the regulations, be ordered by the court to pay the cost of such removal.

Removal of animals

41. (1) The Authority may, in respect of any airport, with the approval of the Governor make regulations for regulating the use and operation of the airport and the conduct of all persons while within the airport, and, in particular, such regulations may –

Regulations

- (a) provide for securing the safety of aircraft, vehicles and persons using any such airport as aforesaid and preventing danger to the public arising from the use and operation of the airport;
- (b) make provision for preventing or minimising obstruction within the airport;
- (c) make provision for preventing or minimising obstruction or the use of any light or illumination on any building or premises or

structure which may be hazardous to flight safety in areas outside the airport;

- (d) make provision for preserving order within the airport and preventing damage to property therein;
- (e) subject to the provisions of any Law, regulate or restrict advertising in the airport;
- (f) regulate, promote or restrict the movement of persons into, in or out of the airport, and in this connection may designate any area a restricted area;
- (g) prohibit or regulate, in relation to the whole or any part of the airport -
 - (i) the presence of persons or classes of persons;
 - (ii) the presence of animals or classes of animals;
 - (iii) the use of vehicles of any class or description; and
 - (iv) acts which might endanger any property or person;
- (h) regulate vehicular traffic anywhere within the airport, and in particular may impose speed limits on vehicles therein;
- (i) appoint, and regulate the use, including charges to be made for the use, of parking places for motor vehicles at the airport;
- (j) make provision for the removal to such place as the Authority may think fit of vehicles parked in a place other than a place appointed for the parking of such vehicle or vehicles which have broken down or vehicles which have been left in any place -
 - (i) in contravention of any provision made by or pursuant to this Law insofar as relates to roadways in an airport, or in contravention of the Traffic Law (2003 Revision);
 - (ii) in such a position or in such condition or in such circumstances as to cause obstruction to other persons using the airport or as to be likely to cause danger to such persons; or
 - (iii) in such position or in such condition or in such circumstances as to appear to have been abandoned, and for the safe custody of vehicles removed and any goods which they contain at the time of such removal and for the charges to be imposed for the removal and safe custody of such vehicles or goods;
- (k) prescribe and regulate the conditions for use of any airport and its facilities including the charges to be made for use of the airport and for services or facilities provided therein;
- (l) provide for the disposition of unclaimed property in the custody of the Authority;
- (m) provide for security arrangements in accordance with ICAO requirements and the security requirements of this or any other Law of the Islands;

(2003 Revision)

- (n) provide for the safety or well-being of persons and the care of property connected with the undertakings of the Authority;
- (o) make provision for the regulation of commercial transactions (including trading) in or upon any premises the property of the Authority; and
- (p) make provision in relation to any other matter appearing to the Governor to be necessary or expedient for the purpose of giving due effect to this Law.

(2) Regulations made under this section in relation to the use of roadways in an airport shall take effect notwithstanding that the roadways are subject to the Traffic Law (2003 Revision) and regulations made thereunder. (2003 Revision)

(3) Subject to subsection (4), where by virtue of any provision made by or pursuant to this Law or the Traffic Law (2003 Revision) a vehicle has been, or could at any time be removed from a place in an airport the Authority may, if it appears to it that the vehicle had been abandoned, sell or otherwise dispose of it and its contents (if any) and - (2003 Revision)

- (a) apply the proceeds of any such sale in or towards satisfaction of any costs incurred by the Authority in connection with the disposal thereof or any charge or payment to which the Authority is entitled as regards the vehicle or contents under any provision made by or pursuant to this section, so, however, that the Authority, in its discretion, may waive, in whole or in part, the amount of such costs, charge or payment;
- (b) recoup from the owner or person in charge of the vehicle any costs mentioned in paragraph (a) insofar as they are not satisfied by virtue of that paragraph;
- (c) dispose of, with the approval of the Financial Secretary, any sum received by the Authority on a sale of the vehicle, after deducting any sum applied by virtue of paragraph (a).

(4) A power of disposal conferred by subsection (3) shall not be exercisable in the case of a vehicle unless there has been taken by the Authority such steps (including provision for publication) and there has elapsed such period (not being less than six weeks) beginning with the taking of the first of such steps as may be prescribed by the Minister by order, being steps and a period whose respective taking and lapse shall, in the opinion of the Minister, together suffice for securing adequate opportunity for enabling the vehicle to be claimed.

(5) Different provisions may be made under subsection (4) with respect to vehicles of different classes or descriptions or with respect to vehicles of the same class or description in different circumstances.

(6) Any regulation made under this Law may provide for the imposition of a fine of five thousand dollars or imprisonment for six months or both for any contravention of, or failure to comply with, such regulation.

Rules

42. The Authority may, subject to this Law, make such rules as it thinks fit to regulate its own internal management.

Immunity

43. Neither the Authority, nor any director or employee of the Authority, shall be liable in damages for anything done or omitted in the discharge or purported discharge of their respective functions under this Law unless it is shown that the act or omission was in bad faith.

Indemnity

44. The Authority shall indemnify a director against all claims, damages, costs, charges or expenses incurred by that director in the discharge or purported discharge of his functions under this Law, except claims, damages, costs, charges or expenses caused by the bad faith of that director.

Deleted: dishonesty, fraud, negligence,

Deleted: or wilful act

Savings provisions

45. Until regulations are made under this Law to provide for a matter that may be prescribed by regulations, any regulations (other than the Airports (Designation) Regulations (1997 Revision)) made under the Civil Aviation Authority Law (1997 Revision) and in force immediately before the coming into force of this section apply as if made under this Law.

(1997 Revision)

(1997 Revision)

SCHEDULE 1 (Section 3(5))

PROPERTY TO BE VESTED IN THE AIRPORTS AUTHORITY

Movable property

Any movable property as may be agreed between the Governor and the Authority.

Real/immovable property

1. Owen Roberts International Airport, Grand Cayman

Parcel Nos.

20C 22 (.82 acres)

20C 24* (3.12 acres)

20C 25 (.29 acres)

20C 26 (.20 acres)

20C 27 (.25 acres)

20C 29 (.77 acres)

20C 30 (.78 acres)

20C 31 undemarcated
boundaries (has not
been surveyed)

20C 32

20C 33 (6.0 acres)

20C 34 (14.0 acres)

20C 36 closed parcel –
became 20C 73

20C 36 REM 1
undemarcated

20C 37 (20.0 acres)

20C 38 (45.0 acres)

20C 41 (.38 acres)

20C 42 (.83 acres)

20C 43 (.79 acres)

20C 46* (221 acres)

20C 73 (7.78 acres)

20C 57 undemarcated

20B 126* (4.83 acres)

20E 1* (.1 acres)

20E 80* (1.0 acres)

20E 138* (2.84 acres)

all in George Town East Registration Section in Grand Cayman, together with all buildings and works situate thereon.

*Included in Boundary Plan No. 27 in the office of the Chief Surveyor.

2. Gerrard Smith International Airport, Cayman Brac

Parcel Nos.

93D 29 (14.04 acres)
93C 45* (1.01 acres)
93C 47* (1.82 acres)
93C 55* (.97 acres)
93C 56* (.28 acres)
93C 70* (59.7 acres)
93C 76 (3.55 acres)
93D 19* (2.25 acres)
93D 31 (21.58 acres)
95B 35 (.15 acres)
95B 37 (.20 acres)
95B 38 (.20 acres)
95B 39 (.6 acres)
95B 151* (.65 acres)
95B 171 (2.31 acres)
95B 173 (.38 acres)
95B 175* (1.341
acres)
95B 180 (.4784 acres)
95B 183 (3.69 acres)
95B 185 (.4409 acres)
95B 187 (.3900 acres)
95B 189 (8.505 acres)
95B 190 (.7546 acres)
95B 197 (.32 acres)
95B 217 (1.51 acres)
95B 219 (1.81 acres)
95B 221 (2.48 acres)
95B 223 (3.70 acres)
95B 224 (.37 acres)
95B 225 (.19 acres)
95B 226 (1.50 acres)

95B 228 (.20 acres)
95B 229 (.20 acres)
95B 238 (.04 acres)
95B 240 (.56 acres)
95B 242 (.28 acres)
95B 244 (.39 acres)
95C 137 (6.763 acres)

all in Cayman Brac West Registration Section in Cayman Brac, together with all buildings and works situate thereon.

* Included in Boundary Plan No. 28 in the office of the Chief Surveyor.

SCHEDULE 2 (Section 3(6))

**DISPOSITION OF PROPERTY TO THE AIRPORTS AUTHORITY, UNDER
THE GOVERNOR (VESTING OF LANDS) LAW (1998 REVISION)**

Real/immovable property

Little Cayman Domestic Airport, Little Cayman

Properties or land within parcel numbers

80A 88 (approximately 240 acres),
undemarcated boundaries (has not been
surveyed)
80A 97 (89 acres)
82A 4 (approximately 61 acres - used in part as
a surface commercial/domestic dump),
undemarcated boundaries (has not been
surveyed)

all in Little Cayman West Registration Section in Little Cayman.

SCHEDULE 3 (Section 30)

AIRPORTS

1. Owen Roberts International Airport, Grand Cayman, situated at parcel numbers

20C 126 (5.89 acres)	20E 1 (0.10 acre)
20C 24 (3.50 acres)	20E 80 (1.00 acre)
20C 46 (227.00 acres)	20E 138 (2.84 acres)

all in the George Town East Registration Section in Grand Cayman, and shown on Boundary Plan No. 28 which is held at the office of the Chief Surveyor

2. Gerrard Smith Airport, Cayman Brac, situated at parcel numbers

93C 45 (1.01 acres)	93C 70 (59.7 acres)
93C 47 (1.82 acres)	93D 19 (2.32 acres)
93C 55 (0.97 acre)	95B 151 (0.65 acre)
93C 56 (0.28 acre)	95B 175 (1.34 acres)

all in Cayman Brac West Registration Section in Cayman Brac, and shown on Boundary Plan No. 27 which is held at the office of the Chief Surveyor, together with all buildings and works situate thereon.

Passed by the Legislative Assembly the 18th day of March, 2004.

LINFORD A. PIERSON

Speaker.

WENDY LAUER EBANKS

Clerk of the Legislative Assembly.