

Honolulu, Hawaii
FEBRUARY, 2008

RE: H.B. No. 3406

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committees on Transportation and Water, Land, Ocean Resources & Hawaiian Affairs, to which was referred H.B. No. 3406 entitled:

"A BILL FOR AN ACT RELATING TO COMMERCIAL HARBORS
MODERNIZATION,"

beg leave to report as follows:

The purpose of this bill is to improve, develop, and modernize Hawaii's commercial harbors by:

- (1) Expanding the authority of the Aloha Tower Development Corporation (ATDC) to include assisting in the statewide development of a harbors modernization plan;
- (2) Establishing a Harbors Modernization Group within ATDC;
and
- (3) Authorizing the Department of Transportation (DOT) to issue revenue bonds to finance harbor improvements.

DOT, ATDC, the Department of Business, Economic Development, and Tourism, The Chamber of Commerce of Hawaii, Hawaii Harbor Users Group, Retail Merchants of Hawaii, and Hawaii Building and Construction Trades Council, AFL-CIO testified in support of this bill. Save Kahalui Harbor.com, The Surfrider Foundation, Maui Chapter, Maui Tomorrow Foundation, Inc., Kahului Harbor Coalition, and a concerned individual testified in opposition to this measure.



Hawaii's harbors serve as a vital link between our state and the rest of the country, as well as the world. As an island state, Hawaii depends on its harbors to import a vast majority of the goods used by Hawaii's consumers. In fact, it is estimated that 98 percent of Hawaii's imported goods passes through its harbors. Hawaii's harbors also serve as the starting point for the exporting of products made in Hawaii to ports around the globe. Thus, our harbors play a major role in the everyday lives of Hawaii's residents.

Despite their importance, there is a shortage of port facilities at our commercial harbors. Critical capacity issues, including a lack of berthing space, and necessary infrastructure improvements to upgrade current facilities and harbor expansion, have not been addressed over the years, mainly because of a lack of revenue generation by and funding for our harbors system.

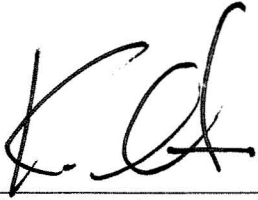
Your Committees find that ATDC has the expertise to develop harbor infrastructure and facilities. DOT is responsible for all commercial harbors in the State, but does not have the necessary resources to keep up with the continuing demands for further improvement and development of additional, desperately needed harbor facilities. The partnership of these two agencies will allow the State to leverage its resources for the benefit of harbor users.

The expected growth in cargo transportation, the cruise industry, ferry systems, and other harbor uses necessitates immediate action to improve our commercial harbors. The comprehensive, system-wide harbor improvement strategy proposed by this measure is an important step in the State's long-range planning goals for its commercial harbor system and is an attempt to address the critical, time sensitive need for modernizing and improving Hawaii's harbor system.

As affirmed by the records of votes of the members of your Committees on Transportation and Water, Land, Ocean Resources & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3406 and recommend that it pass Second Reading and be referred to the Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committees on Transportation
and Water, Land, Ocean
Resources & Hawaiian Affairs,



KEN ITO, Chair

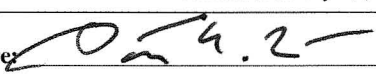


JOSEPH M. SOUKI, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Transportation

Bill/Resolution No.: HB 3406	Committee Referral: TRN/WLH, FIN	Date: 04 Feb. 2008		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input 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. SOUKI, Joseph M. (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. EVANS, Cindy	/			
4. HAR, Sharon E.				/
5. LEE, Marilyn B.	/			
6. LUKE, Sylvia				/
7. McKELVEY, Angus L.K.	/			
8. NAKASONE, Bob				/
9. SONSON, Alex M.				/
10. TAKAMINE, Dwight Y.	/			
11. TAKUMI, Roy M.	/			
12. MEYER, Colleen Rose				/
13. PINE, Kymberly Marcos				/
TOTAL (13)	7			6
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				

