

Honolulu, Hawaii
Ag: 128, 2006

RE: H.B. No. 1880
H.D. 2
S.D. 2
C.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1880, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HARBORS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to protect Honolulu Harbor for maritime use by:

- (1) Removing Piers 1 and 2 of Honolulu Harbor from the Kakaako Community Development District; and
- (2) Granting jurisdiction and administrative authority over Piers 1 and 2, and the contiguous backup fast lands currently used for manifested cargo and passenger operations to the Department of Transportation (DOT), Harbors Division;



- (3) Granting jurisdiction and administrative authority over the area in the vicinity of Piers 1 and 2 currently being used as a Foreign Trade Zone to the Department of Business, Economic Development, and Tourism, Foreign Trade Zone Division;
- (4) Directing the Hawaii Community Development Authority to transfer the lands in question to the Department of Land and Natural Resources; and
- (5) Directing the Governor to set aside the areas:
 - (A) Presently containing the foreign-trade zone to the Department of Business, Economic Development, and Tourism; and
 - (B) Presently used as Pier 1 and Pier 2 and the backup foreign cargo container yard to DOT.

Hawaii's economic sustainability is dependent upon the effectiveness and efficiency of its harbor system. As an island state, Hawaii relies on its harbors for the movement of cargo between islands and the rest of the world. Honolulu Harbor serves as the main lifeline of cargo and commerce for the State of Hawaii. Your Committee on Conference finds that cargo-shipping space in Honolulu Harbor is at a premium and that the area that encompasses Piers 1 and 2 is nearing its maximum cargo capacity. This is especially true since the area used for foreign cargo containers was already reduced with the development of the passenger cruise ship terminal as part of Pier 2. New harbor space needs to be found and present cargo space needs to be conserved.

Your Committee on Conference has amended this measure by changing its effective date from July 1, 2050, to July 1, 2006.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1880, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1880, H.D. 2, S.D. 2, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

Russell S. Kokubun
RUSSELL S. KOKUBUN, Chair

Joseph M. Souki
JOSEPH M. SOUKI, Co-Chair

Lorraine R. Inouye
LORRAINE R. INOUE, Co-Chair

Marilyn B. Lee
MARILYN B. LEE, Co-Chair

Brian T. Taniguchi
BRIAN T. TANIGUCHI, Co-Chair



