

STAND. COM. REP. NO.

2531

Honolulu, Hawaii

FEB 15 2008

RE: S.B. No. 2816  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Economic Development and Taxation, to which was referred S.B. No. 2816, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTRA-COUNTY FERRY SERVICE,"

begs leave to report as follows:

The purpose of this measure is to provide priority assignment of mooring space for a new ferry service from Ma'alaea Harbor Lahaina, and to provide an exemption from the fuel tax for fuel purchases for the ferry service.

Your Committee received testimony in opposition to this measure was received from the Pacific Whale Foundation. Comments were received from the Department of Land and Natural Resources.

This measure would provide an alternative emergency transportation system should the only highway in West Maui be closed, as well as more convenient travel for residents of Lana'i and West Maui. To succeed, any ferry route to and from Ma'alaea Harbor and Lahaina requires priority assignment of mooring space, and the added fuel costs of the route would require an exemption from the fuel tax for the ferry service.

The Department of Taxation testified before the Committee on Transportation and International Affairs that this measure will result in a revenue loss of approximately \$13,500, beginning in fiscal year 2009.



As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2816, S.D. 1, and recommends that it be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Taxation,



CAROL FUKUNAGA, Chair



