STAND. COM. REP. NO. 2886

Honolulu, Hawaii

FEB 2 9 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 Ways and Means, 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 alleviate ferry transportation difficulties for residents of counties reliant on intra-county ferry services.

Specifically, this measure:

- (1) Requires the Department of Land and Natural Resources to assign priority mooring space to intra-county ferries serving a county with five hundred thousand or fewer people and consisting of at least three islands inhabited by permanent residents; and
- (2) Exempts distributors from fuel tax for fuel sold for ultimate use by the intra-county ferry services.

The Board of Land and Natural Resources, Department of Taxation, Department of Transportation, and Tax Foundation of Hawaii submitted comments.

West Maui residents are served by only one two-lane highway and one small airport. The residents of the island of Lana'i have only one affordable and frequent means of transport to Maui, which

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is the intra-county ferry from Lana'i to Lahaina. A more convenient route for Lana'i travelers will be to dock in Ma'alaea. This measure will assign priority mooring space to an intra-island ferry serving a route between Lana'i and Ma'alaea harbor and exempt the added fuel costs of this route from the fuel tax.

Your Committee finds that an alternative ferry route from Lana'i to Ma'alaea harbor will also benefit West Maui residents by easing congestion in and around Lahaina and its small boat harbor. The alternate route to Ma'alaea will also facilitate emergency ferry operations out of Lahaina if the highway in West Maui is closed for some reason.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2083, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		1	Date:	
SB2814, SD1	2814, SDI TIA, GI		1 2	2/21/08	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne		1			
ENGLISH, J. Kalani					
FUKUNAGA, Carol		<b>*</b>			
HOOSER, Gary L.		/			
INOUYE, Lorraine R.		_			
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, JIII N.					
HEMMINGS, Fred			***		
WHALEN, Paul					
			***************************************		
				i kan ibaharan da iba bilan wiba Siri	
TOTAL		12	0	0	0
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

<sup>\*</sup>Only one measure per Record of Votes