
A BILL FOR AN ACT

RELATING TO HARBORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Act 200, Session Laws of Hawaii 2008,
2 authorized the department of transportation to issue harbor
3 revenue bonds for harbor capital improvements authorized by Act
4 200 for certain specified capital improvement projects. The
5 capital improvements were part of the commercial harbors
6 modernization plan. Act 200 also placed into statute the
7 harbors modernization plan which was then repealed by Act 152,
8 Session Laws of Hawaii 2011.

9 Act 200 also transferred jurisdiction over Hana harbor to
10 the department of transportation, excluding the small boat ramp
11 facility which remained under the jurisdiction of the department
12 of land and natural resources (section 266-1.6, Hawaii Revised
13 Statutes).

14 The legislature finds that the appropriations for capital
15 improvement projects in Act 200 were not released and the
16 funding has since lapsed. Act 200 provided for a lapse date of
17 funding on June 30, 2012, unless unencumbered as of that date.
18 An additional reason for the lack of any funding is the repeal



1 of the harbors modernization plan by Act 152. The legislature
2 further finds that the lack of funding for harbor improvements
3 is contrary to Act 200, which provides in pertinent part in
4 section 1 as follows:

5 "To meet the economic needs of the state, the harbors
6 division of the department of transportation must provide
7 suitable harbor facilities and berthing piers, which in
8 turn ensures the efficient and timely delivery and shipment
9 of goods imported into the state. Ocean surface
10 transportation is our state's lifeline. It remains the
11 only viable means to service the largest share of Hawaii's
12 economic needs. However, Hawaii's aging commercial harbor
13 system has not kept pace with our growing economy, and
14 Hawaii's commercial ports statewide are experiencing
15 competition for berthing rights for cargo, fuel, and cruise
16 ship activities, and severe congestion in harbor
17 facilities. Harbor users, the state administration, and
18 the legislature recognize that it is now extremely critical
19 to upgrade existing port facilities and develop harbor
20 improvements in an expedited manner."



1 The purpose of this Act is to authorize the issuance of
2 harbor revenue bonds to finance certain harbor capital
3 improvement projects.

4 SECTION 2. The department of transportation is authorized
5 to issue harbor revenue bonds for harbor capital improvement
6 projects authorized in section 3 of this Act and designated to
7 be financed by revenue bond funds with debt service cost to be
8 paid from special funds, in such principal amount as shall be
9 required to yield the amounts appropriated for such capital
10 improvement program projects, and, if so determined by the
11 department and approved by the governor, such additional amounts
12 as may be deemed necessary by the department to pay interest on
13 such revenue bonds during the estimated construction period of
14 the capital improvement project for which such harbor revenue
15 bonds are issued to establish, maintain, or increase reserves
16 for the harbor revenue bonds or harbor revenue bonds heretofore
17 authorized (whether authorized and issued or authorized and
18 still unissued), and to pay the expenses of issuance of such
19 bonds. The aforementioned harbor revenue bonds shall be issued
20 pursuant to part III of chapter 39, Hawaii Revised Statutes, as
21 the same may be amended from time to time. The principal of and
22 interest on harbor revenue bonds, to the extent not paid from



1 the proceeds of such bonds, shall be payable solely from and
2 secured solely by the revenues derived from harbors and related
3 facilities under the ownership of the State or operated and
4 managed by the department, including rents, mooring, wharfage,
5 dockage, pilotage fees, and other fees or charges presently or
6 hereafter derived from or arising through the ownership,
7 operation, and management of harbor and related facilities and
8 the furnishing and supplying of the services thereof. The
9 expenses of the issuance of such harbor revenue bonds shall, to
10 the extent not paid from the proceeds of such bonds, be paid
11 from the harbor special fund.

12 The governor, in the governor's discretion, is authorized
13 to use the harbor special fund to finance those projects
14 authorized in section 3 of this Act where the method of
15 financing is designated to be by harbor revenue bond funds.

16 SECTION 3. The following sums, or so much thereof as may
17 be sufficient to accomplish the purposes designated herein, are
18 hereby appropriated or authorized, as the case may be, from the
19 harbor revenue bond funds for the fiscal years beginning July 1,
20 2013, and ending June 30, 2017, and all intervening fiscal
21 years. The sums appropriated shall be expended by the
22 department of transportation for the purposes of this Act.



1 1. HMP - Kapalama military reservation improvements,
2 Honolulu harbor

3 Design and construction for the development of a new
4 container terminal facility.

5 Design	\$26,900,000
6 Construction	\$3,000,000
7 Total funding	\$29,900,000

8 2. HMP - Kalaeloa Barbers Point harbor infrastructure
9 improvements, Oahu

10 Design of utility and infrastructure improvements.

11 Design	\$300,000
12 Total funding	\$300,000

13 3. HMP - Kalaeloa Barbers Point harbor fuel pier
14 improvements, Oahu

15 Design of new fuel pier and other site related
16 improvements.

17 Design	\$6,300,000
18 Total Funding	\$6,300,000

19 4. HMP - Pier 4 interisland cargo terminal, Hilo harbor,
20 Hawaii

21 Design of additional interisland cargo terminal areas
22 including a pier, yard, roadways, and utilities.



1	Design	\$13,400,000
2	Total funding	\$13,400,000
3	5. HMP - Kahului harbor land acquisition and	
4	improvements, Maui	
5	Purchase additional land and subsequent design of	
6	improvements for the acquired land.	
7	Land	\$15,000,000
8	Design	\$ 2,000,000
9	Total funding	\$17,000,000
10	6. HMP - Hana harbor, Maui	
11	Development of infrastructure, demolition, as necessary,	
12	and expansion of facilities.	
13	Total funding	\$20,000,000
14	7. HMP - West harbor barge-ferry slip, Kahului harbor,	
15	Maui	
16	Design for a new west harbor barge-ferry slip and	
17	associated site work improvements.	
18	Design	\$8,000,000
19	Total funding	\$8,000,000



1 8. HMP - West harbor dredging and breakwater, Kahului
2 harbor, Maui

3 Design for west harbor breakwater, dredging and associated
4 improvements.

5 Design \$3,000,000

6 Total funding \$3,000,000

7 9. HMP - West harbor cruise terminal Kahului harbor, Maui

8 Design of a cruise terminal including paving, utilities,
9 security, and other site work improvements.

10 Design \$3,000,000

11 Total funding \$3,000,000

12 10. HMP - East harbor breakwater, Kahului harbor, Maui

13 Design of the east harbor breakwater and related
14 improvements.

15 Design \$3,000,000

16 Total funding \$3,000,000

17 11. HMP - Pier 2 improvements, Kahului harbor, Maui

18 Design of improvements to the pier including strengthening,
19 bollard replacement, dredging, and environmental
20 permitting.

21 Design \$500,000

22 Total funding \$500,000



1 12. HMP - Kawaihae harbor development plan, Hawaii
2 Development plan for improving new terminal cargo
3 facilities at Kawaihae harbor.

4	Plans	\$500,000
5	Total funding	\$500,000

6 13. HMP - Pier 2 terminal improvements, Kawaihae harbor,
7 Hawaii

8 Design and construction of terminal improvements including
9 and not limited to paving, utilities, relocation of the
10 harbor agent's office, and interim ferry improvements.

11	Design	\$ 5,000,000
12	Construction	\$21,000,000
13	Total funding	\$26,000,000

14 14. HMP - Pier 4, Kawaihae harbor, Hawaii

15 Design of a multi user pier 4 and associated site work.

16	Design	\$9,000,000
17	Total funding	\$9,000,000

18 15. HMP - Multi User Pier 4, Nawiliwili harbor

19 Design of new pier improvements and related site and
20 utility work.

21	Design	\$300,000
22	Total funding	\$300,000



1 16. HMP - Construction management support, statewide
2 Construction consultant services during construction of
3 harbor modernization plan projects at harbor facilities
4 statewide.

5 Construction	\$2,400,000
6 Total funding	\$2,400,000

7 17. HMP - Harbors division capital improvement program
8 staff cost, statewide

9 Costs related to wages and fringes for permanent harbor
10 modernization plan project funded positions.

11 Planning	\$1,735,000
12 Total funding	\$1,735,000

13 The appropriations made for the capital improvement
14 projects authorized in this section by this Act shall not lapse
15 at the end of the fiscal biennium for which the appropriations
16 are made; provided that all moneys from the appropriations
17 unencumbered as of June 30, 2017, shall lapse as of that date.

18 SECTION 4. This Act shall take effect on July 1, 2020.



Report Title:

Harbors; Capital Improvement Projects; Revenue Bond;
Appropriation

Description:

Authorizes the Department of Transportation to issue revenue bonds for capital improvement projects for harbor improvements. Appropriates funds. Effective July 1, 2020. (HB692 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

