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# 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 certain specified capital improvement projects  
4 authorized by Act 200. The capital improvements were part of  
5 the commercial harbors modernization plan. Act 200 also placed  
6 into statute the harbors modernization plan which was later  
7 repealed by Act 152, Session Laws of Hawaii 2011.

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

13           The legislature finds that the appropriations for capital  
14 improvement projects in Act 200 were not released and the  
15 funding has since lapsed. Act 200 provided for a lapse date of  
16 funding on June 30, 2012, unless unencumbered as of that date.  
17 An additional reason for the lack of any funding is the repeal  
18 of the harbors modernization plan by Act 152. The legislature



1 further finds that the lack of funding for harbor improvements  
2 is contrary to Act 200, which provides in pertinent part in  
3 section 1 as follows:

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

20 The purpose of this Act is to authorize the issuance of  
21 harbor revenue bonds to finance certain harbor capital  
22 improvement projects.



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



1 dockage, pilotage fees, and other fees or charges presently or  
 2 hereafter derived from or arising through the ownership,  
 3 operation, and management of harbor and related facilities and  
 4 the furnishing and supplying of the services thereof. The  
 5 expenses of the issuance of harbor revenue bonds shall, to the  
 6 extent not paid from the proceeds of the bonds, be paid from the  
 7 harbor special fund.

8 The governor, in the governor's discretion, may use the  
 9 harbor special fund to finance projects authorized in section 3  
 10 of this Act where the method of financing is designated to be by  
 11 harbor revenue bond funds.

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

19 1. HMP - Kapalama military reservation improvements,  
 20 Honolulu harbor

21 Design and construction for the development of a new  
 22 container terminal facility.



1	Design	\$
2	Construction	\$
3	Total funding	\$
4	2. HMP - Kalaeloa Barbers Point harbor infrastructure	
5	improvements, Oahu	
6	Design of utility and infrastructure improvements.	
7	Design	\$
8	Total funding	\$
9	3. HMP - Kalaeloa Barbers Point harbor fuel pier	
10	improvements, Oahu	
11	Design of new fuel pier and other site related	
12	improvements.	
13	Design	\$
14	Total Funding	\$
15	4. HMP - Pier 4 interisland cargo terminal, Hilo harbor,	
16	Hawaii	
17	Design of additional interisland cargo terminal areas	
18	including a pier, yard, roadways, and utilities.	
19	Design	\$
20	Total funding	\$



1           5.    HMP - Kahului harbor land acquisition and  
2 improvements, Maui

3           Purchase additional land and subsequent design of  
4 improvements for the acquired land.

5           Land	\$
6           Design	\$
7           Total funding	\$

8           6.    HMP - Hana harbor, Maui  
9           Development of infrastructure, demolition, as necessary,  
10 and expansion of facilities.

11          Total funding	\$
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12          7.    HMP - West harbor barge-ferry slip, Kahului harbor,  
13 Maui

14          Design for a new west harbor barge-ferry slip and  
15 associated site work improvements.

16          Design	\$
17          Total funding	\$

18          8.    HMP - West harbor dredging and breakwater, Kahului  
19 harbor, Maui

20          Design for west harbor breakwater, dredging, and associated  
21 improvements.



1	Design	\$
2	Total funding	\$
3	9. HMP - West harbor cruise terminal Kahului harbor, Maui	
4	Design of a cruise terminal including paving, utilities,	
5	security, and other site work improvements.	
6	Design	\$
7	Total funding	\$
8	10. HMP - East harbor breakwater, Kahului harbor, Maui	
9	Design of the east harbor breakwater and related	
10	improvements.	
11	Design	\$
12	Total funding	\$
13	11. HMP - Pier 2 improvements, Kahului harbor, Maui	
14	Design of improvements to the pier including strengthening,	
15	bollard replacement, dredging, and environmental	
16	permitting.	
17	Design	\$
18	Total funding	\$
19	12. HMP - Kawaihae harbor development plan, Hawaii	
20	Development plan for improving new terminal cargo	
21	facilities at Kawaihae harbor.	



1	Plans	\$
2	Total funding	\$
3	13. HMP - Pier 2 terminal improvements, Kawaihae harbor,	
4	Hawaii	
5	Design and construction of terminal improvements, including	
6	but not limited to paving, utilities, relocation of the	
7	harbor agent's office, and interim ferry improvements.	
8	Design	\$
9	Construction	\$
10	Total funding	\$
11	14. HMP - Pier 4, Kawaihae harbor, Hawaii	
12	Design of a multi user pier 4 and associated site work.	
13	Design	\$
14	Total funding	\$
15	15. HMP - Multi User Pier 4, Nawiliwili harbor	
16	Design of new pier improvements and related site and	
17	utility work.	
18	Design	\$
19	Total funding	\$
20	16. HMP - Construction management support, statewide	





1 Construction consultant services during construction of  
2 harbor modernization plan projects at harbor facilities  
3 statewide.

4 Construction \$

5 Total funding \$

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

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

10 Planning \$

11 Total funding \$

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

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



**Report Title:**

Harbors; Capital Improvement Projects; Revenue Bond;  
Appropriation

**Description:**

Authorizes the DOT to issue revenue bonds for capital improvement projects for harbor improvements. Appropriates unspecified funds. Effective 07/01/20. (HD2)

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