

## ACT 232

S.B. NO. 3073

A Bill for an Act Relating to Transportation.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the heavy dependence on the automobile as the primary means of travel has resulted in excessive concentrations of motorists on the major arterials during morning and afternoon peak travel periods. While the traditional approach to addressing this problem has been to increase the capacity of the land transportation system, limits on monetary and natural resources now severely restrict the use of this alternative.

Consequently, it has become necessary for the State to consider alternate means of transportation for commuters from outlying areas into the central business district. One such alternative is the development of a water ferry system to connect the Ewa, East and West Honolulu areas with the central business district in downtown Honolulu.

It is envisioned that the conditions under which the intransland water ferry system will operate will include the following:

- (1) The system shall include landings at Maunalua Bay, Waikiki, Honolulu Harbor, Honolulu International Airport, Waipahu, Ewa, and West Beach, provided conditions at each site are acceptable;
- (2) The system shall be premised upon transporting commuters during peak hours and utilized for other revenue-generating purposes during nonpeak hours;
- (3) The State shall, for a period not to exceed eight years, share in the cost of operating the water ferry system, which share shall not exceed the annual amount for the first year of revenue service, for the first four years after the start of revenue service, and shall thereafter decrease annually in a straight line to zero after the eighth year; and
- (4) A private entity shall own or lease the ferries used in the system and shall manage, operate, market, and maintain the system, except for the onshore facilities owned by the Department of Transportation.

SECTION 2. Chapter 268, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§268- Private ferry or ferry system; authority to provide.** Notwithstanding any other provisions of this chapter, the department, in lieu of establishing the Hawaii State Ferries, an interisland or intransland ferry or ferry system operated and maintained by the State under the provisions of the chapter, may enter into a contract, lease, or other agreement with any person to provide for a privately operated ferry or ferry system; provided that no contract, lease, or other agreement shall be made except under contract let after public advertisement for sealed tenders, subject to the provisions under chapter 103.”

SECTION 3. The department of transportation shall submit a report to the legislature on the status of the water ferry system no later than twenty days prior to the convening of the Regular Session of 1989.

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SECTION 4. New statutory material is underscored.<sup>1</sup>

SECTION 5. This Act shall take effect on July 1, 1988.

(Approved June 8, 1988.)

**Note**

1. Edited pursuant to HRS §23G-16.5.