STAND. COM. REP. NO. 3102

Honolulu, Hawaii

MAR 2 4 2006

RE: H.B. No. 1880

H.D. 2 S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committees on Water, Land, and Agriculture and Transportation and Government Operations, to which was referred H.B. No. 1880, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HARBORS,"

beg leave to report as follows:

The purpose of this measure is to change the boundaries of the Kakaako Community Development District by deleting the areas comprising of piers 1 and 2 and the contiguous backup fast lands that serve as a foreign cargo container yard and transferring the lands to the Department of Transportation and the foreign trade zone division of Department of Business, Economic Development, and Tourism.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; the Department of Transportation; the Hawaii Community Development Authority; Alexander & Baldwin, Inc.; the Chamber of Commerce of Hawaii; the Hawaii Harbor Users Group; Maritime Consultants of the Pacific; Matson Navigation Company, Inc.; and Young Brothers, Limited.

Your Committees find that the foreign cargo container yard capacity will be exhausted within five years. The area used for foreign cargo containers was already reduced with the development of the passenger cruise ship terminal as part of pier 2. However, it was brought to the attention of your Committees that the area



that is being deleted from the Kakaako Community Development District to be transferred to the Department of Transportation also contains the foreign-trade zone under the direction of the Department of Business, Economic Development, and Tourism.

Accordingly, your Committees have amended this measure by:

- (1) Directing the Hawaii Community Development Authority to transfer the lands in question to the Department of Land and Natural Resources;
- (2) Directing the Governor to set aside the areas:
 - (A) Presently containing the foreign-trade zone to the Department of Business, Economic Development, and Tourism; and
 - (B) Presently used as pier 1 and 2 and the backup foreign cargo container yard to the Department of Transportation;
- (3) Clarifying the jurisdiction and administrative authority of Department of Business, Economic Development, and Tourism over the lands presently containing the foreigntrade zone; and
- (4) Making technical, nonsubstantive changes for clarity and style.

Your Committees note that regardless of which department or authority has jurisdiction, it is important that the Hawaii Community Development Authority continue providing input into planning and implementing appropriate compatible maritime development in the waterfront area. This input process is essential to the Hawaii Community Development Authority's legislative mandate and is necessary to examine the entire district with a holistic perspective, which includes traffic and infrastructure improvements. These elements are all needed to successfully operate maritime businesses in and around Piers 1 and 2, and it is important for all parties concerned, including the Hawaii Community Development Authority, to continue to focus on long-term solutions both inside and outside of Honolulu Harbor.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Transportation and



Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1880, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1880, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Water, Land, and Agriculture and Transportation and Government Operations,

LORRAINE R. INOUYE, Chair

RUSSELL S. KOKUBUN, Chair

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Water, Land and Agriculture (Bills and Resolutions)

Measure:* Committee Referral: Date: WCA 1750, WAM 3/22/06									
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is to:									
Pass, unamended Pass, with amendments Hold Recommit (2312) (2311) (2310) (2313)									
Members	Ayes	Ayes(WR)	Nays	Excused					
KOKUBUN, Russell S. (C)	W								
HOOSER, Gary L. (VC)				1					
ENGLISH, J. Kalani				6					
FUKUNAGA, Carol	W								
HEMMINGS, Fred									
TOTAL	3			2					
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									

^{*}Do not list more than one measure per Record of Votes.

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Transportation and Government Operations (Bills and Resolutions)

Measure:*/ HB V880 HD 2	Committee Referral: WLA (Too, WAM)			Date: 3/22/06				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is to:								
Pass, unamended Pass, with amend (2312) (2311)		amendments 11)		Hold (231		Recommit (2313)		
Members		Ayes	Ayes(WR)		Nays	Excused		
INOUYE, Lorraine R. (C)								
ESPERO, Will (VC)								
BAKER, Rosalyn H.		V						
HEE, Clayton								
KANNO, Brian					· · · · · · · · · · · · · · · · · · ·	/		
MENOR, Ron		V				Annual Control of the		
WHALEN, Paul	C Con Run	V	Page service state			- Marian (1981)		
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			- 100 - 100					
TOTAL		4				3		
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								

^{*}Do not list more than one measure per Record of Votes.