

---

---

## A BILL FOR AN ACT

RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION.

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

1           SECTION 1. The legislature finds that under section 266-1,  
2 Hawaii Revised Statutes, all commercial harbors in the State are  
3 under the care and control of the department of transportation.  
4 The harbors division of the department of transportation is  
5 mandated with the responsibility of maintaining efficient and  
6 adequate harbor facilities for the movement of goods in and out  
7 of the commercial harbors, an enormous responsibility in light  
8 of the State's insular isolation.

9           However, with its primary responsibility of the daily  
10 management and operation of the commercial harbors, the harbors  
11 division has not been able to keep up with the continuing  
12 demands for further improvements and development of additional  
13 desperately needed harbor facilities. These needs are  
14 exacerbated by the rapidly growing populations and economies on  
15 each of our major islands, the overnight tripling in cruise ship  
16 operations, the soon to be operating superferry, and the  
17 increased needs for security at our nation's ports. The foreign  
18 container yard at Honolulu harbor is nearing capacity. The



1 container operations at Sand island are spilling over across the  
2 harbor channel to the Kapalama terminals, and the Kahului harbor  
3 that is at near capacity is attempting to shoehorn in the  
4 superferry operations.

5 In order to undertake the necessary planning and  
6 development in an expedited manner that is required to maintain  
7 the commercial harbors throughout the State as efficient and  
8 secure facilities serving Hawaii's needs, the harbors division  
9 requires the assistance of the Aloha Tower development  
10 corporation. The Aloha Tower development corporation is a  
11 public body corporate and politic that is empowered to develop,  
12 construct, improve, or repair any project. It was established  
13 with a development oriented mission and the expertise to develop  
14 harbor infrastructure and facilities. Its past experiences with  
15 partnerships with private entities for the development of harbor  
16 related facilities makes it uniquely capable of assisting the  
17 harbors division with its enormous task of updating and  
18 improving harbor infrastructure and facilities.

19 SECTION 2. Chapter 206J, Hawaii Revised Statutes is  
20 amended by adding a new section to be appropriately designated  
21 and to read as follows:



1            "§206J- Projects with department of transportation. (a)

2   Consistent with its general powers under this chapter, the  
3   development corporation may undertake projects for commercial  
4   harbors, as that term is defined in section 266-1, under the  
5   control or jurisdiction of the department of transportation.  
6   Notwithstanding any provision in section 206J-17 to the  
7   contrary, moneys or charges received by the development  
8   corporation for its administrative and operational expenses  
9   shall be reimbursed by the department of transportation and  
10   deposited into the Aloha Tower fund, in a subaccount designated  
11   for the particular development project.

12            (b) Authorization for funding and participation of the  
13   development corporation in projects under this section, and  
14   additional position authorizations within the development  
15   corporation for the projects, shall be subject to legislative  
16   approval on a project-by-project basis. The approval shall  
17   include the addition of a new part to this chapter for each  
18   project undertaken under this section, bearing the title of the  
19   development project and setting forth the terms, conditions, and  
20   any other limitations on the participation of the development  
21   corporation that the legislature may enact.



1        (c) If the legislature approves a commercial harbors  
 2 project to be developed by the development corporation, all  
 3 appropriations for the project shall be received and  
 4 administered through the department of transportation. The  
 5 department of transportation shall retain fiscal management and  
 6 oversight of all project cost expenditures, budget, and contract  
 7 approvals.

8        (d) Subject to existing contractual and statutory  
 9 commitments to the department of transportation for any losses  
 10 in revenue under this chapter, the development corporation may  
 11 apply any revenues derived from commercial development projects  
 12 in the area seaward of Nimitz highway between pier 4 and the  
 13 Honolulu international airport to defray the cost of harbor  
 14 infrastructure improvements incurred within the State."

15        SECTION 3. New statutory material is underscored.

16        SECTION 4. This Act shall take effect upon its approval.

17

INTRODUCED BY:

*[Handwritten signature]*

JAN 18 2007



**Report Title:**

Harbors; Aloha Tower Development Corporation

**Description:**

Allows the aloha tower development corporation to undertake projects for commercial harbors under the jurisdiction of department of transportation.

