

ACT 114

H.B. NO. 3489

A Bill for an Act Relating to Harbors.

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

SECTION 1. Section 266-17, Hawaii Revised Statutes, is amended to read as follows:

**“§266-17 Rates, how fixed.** (a) The department of transportation shall adjust [and], fix, and enforce the rates assessable and chargeable by it in respect to dockage, wharfage, demurrage, and other rates and fees pertaining to harbors, wharves, and properties managed and operated by it so as to produce from the rates and fees[:

- (1) In, in respect to all [such] harbors, wharves, and other properties, except [such as] those that are principally used for recreation or the landing of fish, revenues sufficient to:
  - [(A)] (1) Pay when due the principal of and interest on all bonds and other obligations for the payment of which the revenue is or has been pledged, charged, or otherwise encumbered, or which are otherwise payable from the revenue or from a special fund maintained or to be maintained from the revenue, including reserves therefor, and to maintain the special fund in an amount at least sufficient to pay when due all bonds or other revenue obligations and interest thereon, which are payable from the special fund, including reserves therefor;
  - [(B)] (2) Provide for all expenses of operation and maintenance of the properties, including reserves therefor, and the expenses of the department in connection with operation and maintenance; and
  - [(C)] (3) Reimburse the general fund of the State for all bond requirements for general obligation bonds which are or have been issued for harbor or wharf improvements, or to refund any of the improvement bonds, excluding bonds, the proceeds of which were or are to be expended for improvements which are or will be neither revenue producing nor connected in their use directly with revenue producing properties.

(b) When weather, road closures due to special events, or road repairs do not permit the loading or unloading of passengers at Kewalo basin, cruise boats holding a Kewalo basin sublease approved by the State shall be allowed to use Honolulu harbor facilities on a space available basis, and the fees for the use of facilities shall be in accordance with the Hawaii Administrative Rules of the department of transportation relating to fees for use of facilities for private gain."

SECTION 2. Section 266-19, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There is created in the treasury of the State the harbor special fund. All moneys received by the department of transportation from the rates and fees pursuant to section [266-17(1)] 266-17(a)(1) shall be paid into the harbor special fund. The harbor special fund and the second separate harbor special fund heretofore created shall be consolidated into the harbor special fund at such time as there are no longer any revenue bonds payable from the second separate harbor special fund. The harbor reserve fund heretofore created is abolished.

All moneys derived pursuant to this chapter from harbor properties of the statewide system of harbors (excluding properties principally used for recreation or the landing of fish, except properties located at Kewalo Basin, ewa of Ala Moana Park, Honolulu) shall be paid into the harbor special fund and each fiscal year shall be appropriated, applied, or expended by the department of transportation for the statewide system of harbors for any purpose within the jurisdiction, powers, duties, and functions of the department of transportation related to the statewide system of harbors (excluding properties principally used for recreation or the landing of fish, except the properties located at Kewalo Basin, ewa of Ala Moana Park, Honolulu), including, without limitation, the costs of operation, maintenance and repair of the statewide system of harbors and reserves therefor, and acquisitions (including real property and interests therein), constructions, additions, expansions, improvements, renewals, replacements, reconstruction, engineering, investigation, and planning, for the statewide system of harbors, all or any of which in the judgment of the department of transportation are necessary to the performance of its duties or functions.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved June 13, 1998.)