ACT 158

S.B. NO. 392

A Bill for an Act Relating to Transportation.

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

SECTION 1. The cruise ship industry has experienced large growth rates both in Hawaii and around the world. While for many years the airplane has been the preferred mode of travel, passenger cruising has become more popular. There are several reasons for this:

- (1) Cruising is a better value than traditional air-land vacation package when all costs are considered;
- (2) According to the cruise industry, the maturing "baby boomers" are ready to travel, as they have both the money and time to go ocean cruising; and
- (3) Because airlines have cut travel agent commissions, while cruise lines still give travel agents full commission, travel agents encourage cruises more than airline travel.

As a result, there is a current worldwide demand in cruise travel. To meet this boom, cruise lines are building cruise ships in record numbers. Besides becoming more numerous, the new ships are much larger than the older ships.

The purpose of this Act is to appropriate moneys toward, and to express strong legislative and community support for, additional cruise ship berths in Honolulu harbor. The Oahu commercial harbors 2020 master plan recommends that, to increase Hawaii's share of the global cruise tour market, Honolulu harbor must provide more cruise ship berths.

SECTION 2. There is appropriated out of the harbor special fund the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 1999-2000 for the planning and design of a cruise ship passenger terminal at pier 2, Honolulu harbor.

SECTION 3. The sum appropriated shall be expended by the department of transportation for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 1999. (Approved June 28, 1999.)