

## ACT 196

S.B. NO. 2618

A Bill for an Act Relating to Transportation.

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

SECTION 1. Unlike other states, Hawaii is not linked to other states by the federal interstate highway system or a network of interconnected state and local highways. Furthermore, for Hawaii, air transportation is often the only efficient means of travel to another state, as well as between Hawaii's major islands and between different harbors of an island. An interisland and intra-island ferry system can serve as an efficient alternative for transporting passengers, cargo, farm produce, and motor vehicles.

Washington State Ferries, which is part of the Washington State Department of Transportation, operates the largest ferry system in the United States. Washington State Ferries employs approximately eighteen hundred people and is Washington's most popular tourist attraction. Alaska also has a successful ferry system.

S.R. No. 116, S.D. 1, Regular Session of 2015, adopted on April 9, 2015, requests the department of transportation to study the feasibility of establishing an interisland ferry system, among other things, and report its findings and recommendations to the legislature prior to the 2016 regular session. However, the department may need additional funding and time to undertake and complete the study.

The purpose of this Act is to require the department of transportation to conduct a study on the feasibility of establishing an interisland and intra-island ferry system and to make an appropriation for expenses accordingly.

SECTION 2. The department of transportation shall conduct a study on the feasibility of establishing an interisland and intra-island ferry system similar to the ferry systems operated by Washington State and other jurisdictions, including proposed legislation. In conducting the study, the department shall:

- (1) Include a comparison of various jurisdictions with successful ferry systems including Washington and Alaska;
- (2) Emphasize compliance of the ferry system with the State's environmental protection laws, including chapter 343, Hawaii Revised Statutes;

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- (3) Identify appropriate routes and harbors for the ferry system;
- (4) Consider the potential costs and revenues of the ferry system;
- (5) Include financing options for the ferry system, including the establishment of rates or fees to address operating costs;
- (6) Consider the particulars of the ferry system, including vessel design and speed, passenger capacity, cargo capacity, automobile capacity, and compatibility with harbor infrastructure;
- (7) Consider and determine the impacts the ferry system would have on traffic congestion on all islands served by the ferry; and
- (8) Consider the impacts the ferry system could have on the transmission of invasive species between islands and determine inspection requirements to limit the transmission of invasive species between islands.

SECTION 3. The department of transportation shall report its findings and recommendations, including proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2018.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2016-2017 for the department of transportation to conduct a study on the feasibility of establishing an interisland and intra-island ferry system as described in this Act.

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

SECTION 5. This Act shall take effect on July 1, 2016.

(Approved July 1, 2016.)