



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

May 2, 2008

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: Senate Bill No. 2816 SD1 HD2

On May 1, 2008, Senate Bill No. 2816, entitled "A Bill for an Act Relating to Intra-County Ferry Service," became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

The purpose of this bill is to provide priority assignment of mooring space from Maalaea Harbor to Lahaina for intra-county ferry service regulated by the Public Utilities Commission. This bill further exempts these ferries which serve counties under 500,000 in population from paying the State fuel tax on fuels used in their operations.

This bill raises a number of concerns. This bill would grant preferential mooring rights to ferry operators ahead of non-ferry vessels seeking the same limited space in Maalaea Harbor. According to the State Department of Land and Natural Resources, there is a waiting list of 134 persons requesting space at this small boat harbor. Some of the individuals on this list have been waiting upwards of 10 years to obtain a mooring. Thus, I am concerned at the fact that this measure gives the ferry vessels a legal right to be placed at the top of the list.

I am proud that my Administration has taken much needed steps to upgrade and improve small boat harbors in our state, including Maalaea Harbor. Construction is already underway to rebuild the harbor and is expected to continue through 2011. As a result, vessels will need to be shuttled to different locations and mooring space will be further constrained during this period of time. This initiative will make it harder to accommodate ferry operations covered by this bill. The Small Harbors Division has already indicated they will work with the ferry operators to try to accommodate them to the extent possible.

Despite these concerns, the State and my Administration recognize the importance of providing safe, efficient intra-state ferry service to our island populations. Thus, we provide

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certain benefits to intra-state commerce vessels that are regulated by the Public Utilities Commission. Further, the Legislature has recognized the public purposes of these types of operations by enacting Act 9 of 2001 that granted fee waivers to intra-state ferry operators.

As part of our ongoing efforts to improve the transport of passengers and cargo within our island community, I have, for the foregoing reasons, allowed Senate Bill No. 2816 to become law as Act 57, effective May 1, 2008, without my signature.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Lingle", written in a cursive style.

LINDA LINGLE