REPORT TO THE TWENTY-SECOND LEGISLATURE OF THE STATE OF HAWAI'I REGULAR SESSION OF 2002

BY

SENATE CONCURRENT RESOLUTION 20 REGULAR SESSION OF 2001 TWENTY-FIRST LEGISLATURE OF THE STATE OF HAWAI'I

SUBJECT: REPORT ON THE STATUS OF THE STUDY ON THE FEASIBILITY OF AN INTER-ISLAND FERRY SYSTEM FOR HAWAI'I

STATE OF HAWAI'I DEPARTMENT OF TRANSPORTATION JANUARY 2002

Legislative Intent of SCR 20

SCR 20 requests that the Hawaii Department of Transportation (HDOT) conduct a feasibility study as a starting point for the implementation of an inter-island ferry system for Hawaii. Residents and visitors of an island state such as Hawai'i have unique transportation needs. Currently, there is no alternative to air transportation for persons who may wish to travel between various islands.

A system of public, inter-island ferries could provide a second option for travelers. The development of an inter-island ferry is seen as a new and striking alternative to showcase Hawaii's ocean environment to both residents and visitors in a leisurely mode between islands. This will be an important step in both promoting tourism and facilitating transportation statewide.

Status

The HDOT has been working with several operators to provide inter-island ferry service for Hawaii.

One operation proposes a roll on/roll off (RORO) system that is aimed at accommodating vehicles and passengers (and freight loaded on the vehicles). Other operators have not yet determined whether they would pursue a passenger only or RORO service. The intent is to eventually link Honolulu Harbor, and Kahului, Nawiliwili, and Kawaihae harbors.

The inter-island ferry service is being approached as a business arrangement with the operator, where the HDOT would provide the facilities required and the operator(s) would be a lessee, responsible for the ferry vessel, its maintenance and operation. To this end, HDOT has been working with the proponents to obtain information on the business plans and facilities requirements to prepare and submit a ferry grant application to secure federal assistance for some of the capital improvements.

In working with these inter-island ferry proponents, HDOT has also advised them of the regulatory requirements for such operations, including the permits and approvals for the use and lease of port facilities, and the requirements that need to be met in the areas of environment, safety, utility (PUC), security, ADA, etc.

The anticipated start up routes for an inter-island RORO operation will link Honolulu to Maui and Kauai; and be extended later to include the Big Island. Pending approval for a waiver from the U.S. Maritime Administration (MARAD) from the Passenger Vessel Service Act restrictions on the use of a foreign-flagged vessel for domestic routes, operations could be initiated by late 2002.