

HAWAII ADMINISTRATIVE RULES
TITLE 19
DEPARTMENT OF TRANSPORTATION
CHAPTER 42
VESSEL AND HARBOR CONTROLS

SUBCHAPTER 1
GENERAL PROVISIONS

§19-42-9 Deposit required to guarantee payment for charges incurred by vessels. Any agent, charterer, master, operator, or owner who proposes to enter a vessel, other than a small craft, within the jurisdiction of a state port and utilize any of the facilities of the department shall deposit in cash or other legal tender, funds in an amount as determined by the cognizant district manager as being sufficient to guarantee the payment of any and all bills for normal charges incurred by, for, or on behalf of such vessel or its cargo for a period of ninety days. This deposit will not be required for those agents, charterers, masters, operators, or owners who are placed on the harbors division approved credit list following submission of a written application in which they agree to:

- (1) Ensure payment of any and all bills for normal charges incurred by, for, or on behalf of such vessel or its cargo (for agents, only during the period while so engaged as the vessel's agent);
- (2) Provide a bond or irrevocable letter of credit from a bank doing business in Hawaii equivalent to the amount of expected charges to be incurred within a ninety-day period. This requirement is waived for those who have maintained a satisfactory payment record with the State for the immediate preceding two-year period; and
- (3) Pay interest at the rate of one per cent per month and a delinquent account service charge on payments which are delinquent in accordance with section 19-44-6. In this regard the following is applicable:
 - (A) Any invoice unpaid for a period of thirty calendar days from the date of invoice is delinquent.
 - (B) Wharfage is delinquent forty-five days after date of completion of handling cargo over state wharves for the particular voyage.
 - (C) Wharfage reports which are submitted on a monthly basis, in accordance with section 19-44-61(c), are delinquent fifteen days after the last day of the month being reported.
 - (D) Demurrage charges collected and to be remitted in accordance with section 19-44-84 will become delinquent thirty days after the close of the month during which such demurrage was collected. The department shall strike from the credit list those agents, charterers, masters or owners who become delinquent for three successive months except in cases where a bona fide dispute is being negotiated. Any person registered with the department as a boat owner is held accountable for any acts of commission or omission involving that boat owner's small craft and for the prompt payment in full of all fees and charges due the State. [Eff 5/20/82; am 12/20/85; am 11/7/91; am and comp 2/26/96] (Auth: HRS §§266-2, 266-3)
(Imp: HRS §§266-2, 266-3)