STAND. COM. REP. NO. 1727

Honolulu, Hawaii

, 2007

RE: H.C.R. No. 276

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.C.R. No. 276 entitled:

"HOUSE CONCURRENT RESOLUTION OPPOSING THE ENACTMENT BY THE CALIFORNIA STATE LEGISLATURE OF A BILL PROPOSING TO IMPOSE A FEE ON THE PROCESSING OF SHIPPING CONTAINERS IN THE STATE OF CALIFORNIA BECAUSE OF THE NEGATIVE IMPACT OF THE FEE ON THE PEOPLE AND THE ECONOMY OF THE STATE OF HAWAII,"

begs leave to report as follows:

The purpose of this concurrent resolution is to alleviate the negative impacts increased fees would have on the people and economy of the State of Hawaii by stating the Legislature's opposition to the enactment of a bill by the California State Legislature that proposes to impose fees on the processing of shipping containers in the State of California.

The Department of Transportation, The Chamber of Commerce of Hawaii, Horizon Lines, LLC, and Hawaii Ports Maritime Council testified in support of this measure. Alexander and Baldwin, Inc., and Matson Navigation Company, Inc., testified in support of the intent of this measure. The ILWU Local 142 testified in opposition to this measure.

Hawaii is unique among its 49 sister states in that over 90 percent of goods being consumed in Hawaii come to Hawaii via its ports. It has been estimated that the processing fees being proposed in California will add approximately \$34,000,000 dollars a year in shipping costs. These increased costs will have a

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negative impact on the people of Hawaii and will add to the financial burden Hawaii consumers already face.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 276 and recommends that it be referred to the Committees on Economic Development & Business Concerns and Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Transportation,

JOSEPH M. SOUKI. Chair



State of Hawaii House of Representatives The Twenty-fourth Legislature

Record of Votes of the Committee on Transportation

Bill/Resolution No.: HCR 276	Date: APR	RIL 2, 2007	,		
Committee Referral: TRN, EDB/CPC		☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	□ Pa	ss, with amendment	:s		
☐ Hold		 Pass, with amendments, for recommittal for further consideration 			
TRN Members	Ayes	Ayes (WR)	Nays	Excused	
1. SOUKI, Joseph M. (C)					
2. NISHIMOTO, Scott Y. (VC)					
3. EVANS, Cindy					
4. HAR, Sharon E.					
5. LEE, Marilyn B.					
6. LUKE, Sylvia					
7. McKELVEY, Angus L.K.					
8. NAKASONE, Bob					
9. SONSON, Alex M.					
10. TAKAMINE, Dwight Y.				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
11. TAKUMI, Roy M.					
12. MEYER, Colleen Rose					
13. PINE, Kymberly Marcos				: · · ·	
TOTAL	8		l	3	
The recommendation is: Adopted If joint referral, Cor Vice Chair's or designee's signature:	mmittee acronym(did not suppo	ort recommendation.		
Distribution: Original (White) – Committee	Duplicate (Yello	w) – Clerk's Office		**************************************	