



**TESTIMONY OF KU`UHAKU PARK
GOVERNMENT AFFAIRS MANAGER
HORIZON LINES**

**IN REGARDS TO
SB 2920 – RELATING TO MOTOR VEHICLES**

FEBRUARY 4, 2008

Chair English, and Members of the Senate Committee on Transportation and International Affairs.

I am Ku`uhaku Park, testifying in regards to SB 1066, "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES" on behalf of Horizon Lines, LLC., in support of this bill. Furthermore, we would like to expand the scope of the bill to include the exemption of scaling for inter-pier transfers for neighbor island bound containers.

The scaling of neighbor island bound containers out of Honolulu Harbor causes delay in their delivery.

Neighbor island bound containers originate from the West Coast, arrive on ocean carriers at the container terminals on Sand Island in Honolulu Harbor, and are then transferred to the inter-island barges for final delivery to the neighbor islands.

In order to make the connection to these neighbor island barges, hundreds of containers must be transferred in a matter of four to five hours.

Requiring neighbor island bound containers to be scaled, delays the amount of containers that make the barge connection. Because commerce in Hawaii is run not on a warehousing and distribution system, but rather on "just in

LATE

time” delivery, this often puts the retailers, merchants and consumers on the neighbor islands in the position of having the delivery of their cargo severely delayed.

Every month, Horizon Lines moves thousands of containers to and from the neighbor islands. On average, we have five over-weight containers per month. As you can see, we are put in the position of having neighbor island cargo delayed for the sake of catching very few infractions.

Of the containers that have been in violation, none of them have been more than 5% over weight, with most of them coming in at a little over 2% over weight.

Furthermore, ocean carriers who have their own barge service can simply transfer their neighbor island bound containers within their piers, without having to be scaled. This creates a huge competitive disparity for ocean carriers solely dependant on a third party barge for handling their neighbor island bound containers.

We are proposing the following (or similar) draft language be added to HRS 291-36, sub-paragraph (l): (1) Notwithstanding any law to the contrary, no scaling shall be required for any vehicle or combination of vehicles used in transshipping neighbor island bound cargo directly between piers in Honolulu Harbor, or activities which only crosses any public road, street, or highway within the State at locations approved by the director of transportation, in the case of state

highways, or the county engineer, in the case of county roads and streets.

Due to the aforementioned reasons, Horizon Lines respectfully requests that this bill, with our suggested amendment, be passed by this committee.

Thank you for your kind and serious consideration of our testimony in this matter of SB 2920.