

MAR 03 2011

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# SENATE CONCURRENT RESOLUTION

REQUESTING CONGRESS TO EXEMPT HAWAII, ALASKA, GUAM, AND PUERTO RICO FROM THE JONES ACT FOR THE HEALTH, SAFETY, AND SECURITY OF THEIR RESIDENTS.

1           WHEREAS, historically the United States has sought to  
2 protect its shipping industry through carbotage laws, such as  
3 the Merchant Marine Act of 1920, commonly known as the Jones  
4 Act; and

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6           WHEREAS, the Jones Act strictly limits the shipping of  
7 merchandise between the United States and its territories to  
8 American-built and registered ships crewed by United States  
9 citizens; and

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11           WHEREAS, eighty per cent of the goods consumed in Hawaii  
12 are imported from the mainland or foreign countries, and ninety-  
13 eight per cent of these goods come by ship; and

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15           WHEREAS, while transpacific shipping costs are some of the  
16 lowest in the world, especially from the United States to Asia,  
17 the freight rates between the mainland and Hawaii are some of  
18 the highest; and

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20           WHEREAS, much of the high cost of living in Hawaii can be  
21 attributed to unnecessarily high shipping costs caused by the  
22 Jones Act; and

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24           WHEREAS, such excess costs present an immense and unfair  
25 burden on the people of Hawaii; and

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27           WHEREAS, Congress has already recognized the unique aspects  
28 of the Pacific region and the excessive burdens placed on it by  
29 the Jones Act when it exempted the Northern Marianas and  
30 American Samoa from the applicability of the Jones Act; and  
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1           WHEREAS, Alaska, Guam, and Puerto Rico are also heavily  
2 dependent on the shipping industry and endure similar hardships  
3 as a result of the restrictions of the Jones Act; and  
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5           WHEREAS, the almost total dependence on sea freight  
6 services makes the economies of Hawaii, Alaska, Guam, and Puerto  
7 Rico extremely sensitive to even minor restrictions or  
8 disruptions in transportation; and  
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10           WHEREAS, any disruption in the delivery of oil, food, or  
11 other vital goods would severely threaten the health, safety,  
12 and security of residents in Hawaii, Alaska, Guam, and Puerto  
13 Rico, as well as visitors to these destinations; and  
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15           WHEREAS, an exemption from the Jones Act would protect the  
16 collective health, safety, and security of the people of Hawaii,  
17 Alaska, Guam, and Puerto Rico; and  
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19           WHEREAS, there are no ocean-going livestock carriers in the  
20 Jones Act fleet, and the approximately one-hundred and sixty  
21 livestock carriers comprising the world fleet are registered in  
22 other nations; and  
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24           WHEREAS, the currently available waterborne transportation  
25 aboard container ships are not inherently well-suited for large-  
26 scale movement of livestock, thereby restricting the development  
27 of the Hawaii beef cattle industry; and  
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29           WHEREAS, allowing foreign shippers to participate in the  
30 United States mainland trade to Hawaii, Alaska, Guam, and Puerto  
31 Rico would protect the health, safety, and security of the State  
32 and territorial residents therein, and would also foster  
33 shipping competition which will result in economic benefit to  
34 consumers; now, therefore,  
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36           BE IT RESOLVED by the Senate of the Twenty-sixth  
37 Legislature of the State of Hawaii, Regular Session of 2011, the  
38 House of Representatives concurring, that the Legislature  
39 respectfully requests the Congress of the United States to pass  
40 legislation granting an exemption from the Jones Act to Hawaii,  
41 Alaska, Guam, and Puerto Rico; and  
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43           BE IT FURTHER RESOLVED that the Hawaii State Legislature  
44 respectfully requests the President of the United States and his



1 administration to support the congressional legislation  
2 requested herein; and  
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4 BE IT FURTHER RESOLVED that Hawaii's congressional  
5 delegation is urged to request Congress to exempt Hawaii,  
6 Alaska, Guam, and Puerto Rico from the Jones Act; and  
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8 BE IT FURTHER RESOLVED that certified copies of this  
9 Concurrent Resolution be transmitted to the President of the  
10 United States, the President of the United States Senate, the  
11 Speaker of the United States House of Representatives, the  
12 Secretary of the United States Department of Transportation, and  
13 to members of Hawaii's congressional delegation.  
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OFFERED BY:

