
A BILL FOR AN ACT

RELATING TO SHIPPING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Shipping goods to Oahu from Molokai and Lanai
2 requires routing the goods through Maui. This route increases
3 shipping times, which reduces the shelf life of fresh items,
4 causes the goods to lose nutrients, increases spoilage, and
5 promotes the growth of harmful bacteria. In addition, the lack
6 of an economically feasible transportation alternative places
7 small businesses located on Molokai and Lanai at an economic
8 disadvantage to other businesses with economical and direct
9 shipping options.

10 The purpose of this Act is to establish a working group to
11 examine economically feasible options to reduce the time
12 necessary to ship goods from Molokai and Lanai to Oahu,
13 including revising restrictions on shipping, the feasibility of
14 a state barge company or other means of interisland shipping,
15 reducing shipping taxes, and creating tax incentives.

16 SECTION 2. (a) There is established within the department
17 of business, economic development, and tourism for
18 administrative purposes, a working group to study and consider



1 ways to reduce the time and cost of shipping goods to Oahu from
2 Molokai and Lanai and to recommend solutions.

3 (b) The working group shall consider strategies for
4 reducing shipping time and cost including:

5 (1) Amending any existing statute, administrative rule, or
6 ordinance;

7 (2) The feasibility of a barge, ferry, or other means of
8 shipping freight between islands;

9 (3) Reducing taxes;

10 (4) Creating tax incentives; and

11 (5) Any other issues the working group considers
12 appropriate.

13 (c) The working group shall comprise the following
14 members, or the respective designees:

15 (1) The director of business, economic development, and
16 tourism;

17 (2) The director of transportation;

18 (3) The chairperson of the board of agriculture;

19 (4) One county official from the county of Maui, to be
20 appointed by the mayor of the county of Maui;



- 1 (5) One county official from the city and county of
2 Honolulu, to be appointed by the mayor of the city and
3 county of Honolulu;
- 4 (6) A representative from the shipping industry, to be
5 appointed by the speaker of the house of
6 representatives;
- 7 (7) A representative from the airline industry, to be
8 appointed by the president of the senate;
- 9 (8) The executive director of the Hawaii Farm Bureau
10 Federation;
- 11 (9) A member of the state house of representatives
12 appointed by the speaker of the house of
13 representatives;
- 14 (10) A member of the state senate appointed by the
15 president of the senate; and
- 16 (11) Any additional members the chairperson of the working
17 group determines to be necessary.
- 18 (d) The members of the working group shall designate a
19 chairperson from among the members and shall serve without
20 compensation, but shall be reimbursed for necessary expenses,
21 including travel expenses, incurred in the performance of
22 official duties.



1 (e) The department of business, economic development, and
2 tourism shall provide all administrative, technical,
3 professional, and clerical support required by the working group
4 for matters pertaining to this Act.

5 (f) The working group shall report to the legislature its
6 findings and recommendations, including any proposed
7 legislation, no later than twenty days prior to the regular
8 session of 2013.

9 (g) The working group shall cease to exist on June 30,
10 2013.

11 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Mel Carroll
Tom Brown
Cindy Evans
[Signature]
[Signature]

JAN 23 2012

H.B. NO. 2780

Report Title:

Working Group; Shipping; Molokai; Lanai; Oahu; Goods

Description:

Establishes a working group to explore options for reducing the shipping time and costs for transporting goods from Molokai and Lanai to Oahu.

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