
HOUSE CONCURRENT RESOLUTION

REQUESTING THE HAWAII STATE DEPARTMENT OF TRANSPORTATION TO
CONVENE A WORKING GROUP AND VARIOUS COMMITTEES TO CREATE
AND RECOMMEND FEDERAL, STATE, AND COUNTY SUBSIDIES FOR THE
TRANSPORT OF WATERBORNE CARGO CONSISTENT WITH THE FINDINGS
AND RECOMMENDATIONS OF THE WATER CARRIERS WORKING GROUP'S
FINAL REPORT.

1 WHEREAS, Senate Resolution No. 125, S.D. 1, Regular Session
2 of 2020, requested that the Public Utilities Commission, in
3 collaboration with the Department of Commerce and Consumer
4 Affairs' Division of Consumer Advocacy and any interisland water
5 carriers operating in the State, convene a Water Carriers
6 Working Group to recommend mid-term and long-term solutions to
7 balance the need for continuous interisland water carrier
8 service throughout the State with the need for water carriers to
9 maintain financial sustainability; and

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11 WHEREAS, on December 27, 2021, the Water Carriers Working
12 Group issued its final report on its findings and
13 recommendations; and

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15 WHEREAS, the Water Carriers Working Group's final report
16 noted that:

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18 (1) Hawaii's communities are mostly dependent on the
19 import of goods, as over eighty percent of goods
20 consumed in Hawaii are imported, of which over ninety-
21 eight percent is transported as waterborne cargo;

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23 (2) Hawaii must rely heavily on transport of cargo by
24 water carrier, unlike other communities in the
25 continental United States that have alternative means
26 of transporting goods by truck and rail;
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H.C.R. NO. 180

- (3) The cost of shipping goods to and within Hawaii is reflected in the cost of imported goods consumed in Hawaii and has been calculated to be as much as 7.5 percent of the cost of the goods;
- (4) Due to Hawaii's dependency on the import of goods, maritime support to ensure food security in the State is required; and
- (5) While there are agricultural-specific subsidies, as well as subsidies for aircrafts transporting to remote destinations, subsidies do not currently exist for general cargo transport to and within Hawaii; and

WHEREAS, the Water Carriers Working Group's final report recommended that:

- (1) A broad subsidy for trans-Pacific and interisland cargo could reduce the cost of goods;
- (2) The source of such subsidies could be from existing or newly created federal, state, and county government programs;
- (3) The Legislature pass a resolution directing the Hawaii State Department of Transportation to convene a working group to create and recommend federal, state, and county subsidies for the transport of waterborne cargo and provide an update on the status of creating these programs to the Legislature prior to the convening of the Regular Session of 2023;
- (4) The Hawaii State Department of Transportation lead a committee to continue working and consulting with the United States Department of Transportation in the establishment of a federal waterborne cargo subsidies program, including the drafting of legislative language;
- (5) The Hawaii State Department of Transportation lead a committee to work and consult with the Hawaii Congressional Delegation to sponsor a bill to



1 establish a federal waterborne cargo subsidies program
2 within the United States Department of Transportation;
3 and
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- 5 (6) The Hawaii State Department of Transportation lead a
6 committee to work and consult with the Hawaii State
7 Senate and House of Representatives Standing
8 Committees on Transportation, county departments of
9 transportation, and county councils in the
10 establishment of local waterborne cargo subsidies
11 program, including the drafting of legislation; and
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13 WHEREAS, on November 5, 2021, the National Conference of
14 State Legislatures passed a resolution that:
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- 16 (1) Urges Congress to fund a broad subsidy for trans-
17 Pacific, trans-Atlantic, and interisland waterborne
18 cargo to improve the affordability of imported goods;
19 and
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21 (2) Requests that the United States Department of
22 Transportation Maritime Administration develop and
23 implement a federal waterborne cargo subsidies program
24 and that sources of any subsidies may be from existing
25 or newly created federal programs; now, therefore,
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27 BE IT RESOLVED by the House of Representatives of the
28 Thirty-first Legislature of the State of Hawaii, Regular Session
29 of 2022, the Senate concurring, that the Hawaii State Department
30 of Transportation is requested to convene a working group and
31 various committees to create and recommend federal, state, and
32 county subsidies for the transport of waterborne cargo
33 consistent with the findings and recommendations of the Water
34 Carriers Working Group's final report; and
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36 BE IT FURTHER RESOLVED that the working group consist of
37 the following members:
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- 39 (1) The Senate President, or the President's designee;
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41 (2) The Speaker of the House of Representatives, or the
42 Speaker's designee;



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2 (3) The mayor of each county, or the respective mayor's
3 designee;
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5 (4) One representative from the Department of Business,
6 Economic Development, and Tourism;
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8 (5) One representative from the Hawaii State Department of
9 Transportation;
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11 (6) One representative from the Department of Agriculture;
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13 (7) The Chairperson of the Senate Standing Committee on
14 Transportation; and
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16 (8) The Chairperson of the House of Representatives
17 Standing Committee on Transportation; and
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19 BE IT FURTHER RESOLVED that the Hawaii State Department of
20 Transportation is requested to convene a committee to continue
21 working and consulting with the United States Department of
22 Transportation Maritime Administration in the establishment of a
23 federal waterborne cargo subsidies program, including the
24 drafting of legislative language; and
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26 BE IT FURTHER RESOLVED that the Hawaii State Department of
27 Transportation is requested to convene a committee to work and
28 consult with the Hawaii Congressional Delegation to sponsor a
29 bill to establish a federal waterborne cargo subsidies program
30 within the United States Department of Transportation; and
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32 BE IT FURTHER RESOLVED that the working group is requested
33 to work and consult with the Senate and House of Representatives
34 Standing Committees with the subject matter of Transportation,
35 county departments of transportation, and county councils in the
36 establishment of a local waterborne cargo subsidies program,
37 including the drafting of legislation; and
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39 BE IT FURTHER RESOLVED that the working group is requested
40 to submit an interim report providing an update on the status of
41 establishing these waterborne cargo subsidies programs to the



H.C.R. NO. 180

1 Legislature no later than twenty days prior to the convening of
2 the Regular Session of 2023; and
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4 BE IT FURTHER RESOLVED that the working group is requested
5 to submit a final report of its findings and recommendations,
6 including any proposed legislation, to the Legislature and
7 Governor no later than twenty days prior to the convening of the
8 Regular Session of 2024; and
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10 BE IT FURTHER RESOLVED that certified copies of this
11 Concurrent Resolution be transmitted to Hawaii's Congressional
12 Delegation; the Senate President; Speaker of the House of
13 Representatives; Chairperson of the Board of Agriculture;
14 Director of Business, Economic Development, and Tourism;
15 Director of Transportation; Chairpersons of the Senate and House
16 of Representatives Standing Committees with the subject matter
17 of Transportation; and mayors of each county.
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OFFERED BY:



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