
SENATE RESOLUTION

REQUESTING THE HAWAII STATE DEPARTMENT OF TRANSPORTATION TO
CONVENE A WORKING GROUP AND VARIOUS COMMITTEES TO CREATE
AND RECOMMEND STATE AND COUNTY SUBSIDIES AND FEDERAL
FUNDING 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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28 (3) The cost of shipping goods to and within Hawaii is
29 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 establish a federal waterborne cargo subsidies program



1 within the United States Department of Transportation;
2 and

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4 (6) The Hawaii State Department of Transportation lead a
5 committee to work and consult with the Hawaii State
6 Senate and House of Representatives Standing
7 Committees on Transportation, county departments of
8 transportation, and county councils in the
9 establishment of local waterborne cargo subsidies
10 program, including the drafting of legislation; and
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12 WHEREAS, on November 5, 2021, the National Conference of
13 State Legislatures passed a resolution that:
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- 15 (1) Urged Congress to fund a broad subsidy for trans-
16 Pacific, trans-Atlantic, and interisland waterborne
17 cargo to improve the affordability of imported goods;
18 and
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20 (2) Requested that the United States Department of
21 Transportation Maritime Administration develop and
22 implement a federal waterborne cargo subsidies program
23 and that sources of any subsidies may be from existing
24 or newly created federal programs; now, therefore,
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26 BE IT RESOLVED by the Senate of the Thirty-first
27 Legislature of the State of Hawaii, Regular Session of 2022,
28 that the Department of Transportation is requested to convene a
29 working group and various committees to create and recommend
30 state and county subsidies for the transport of waterborne cargo
31 consistent with the findings and recommendations of the Water
32 Carriers Working Group's final report and recommendations on
33 seeking broad federal funding; and
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35 BE IT FURTHER RESOLVED that the working group consist of
36 the following members:
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- 38 (1) The Senate President, or the President's designee;
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40 (2) The Speaker of the House of Representatives, or the
41 Speaker's designee;
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- 1 (3) The mayor of each county, or the respective mayor's
2 designee;
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4 (4) One representative from the Department of Business,
5 Economic Development, and Tourism;
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7 (5) One representative from the Hawaii State Department of
8 Transportation;
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10 (6) One representative from the Department of Agriculture;
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12 (7) One representative from the Hawaii Harbor Users Group;
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14 (8) The Chairperson of the Senate Standing Committee on
15 Transportation; and
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17 (9) The Chairperson of the House of Representatives
18 Standing Committee on Transportation; and
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20 BE IT FURTHER RESOLVED that the Department of
21 Transportation is requested to convene a committee to continue
22 working and consulting with the United States Department of
23 Transportation Maritime Administration in the seeking of federal
24 waterborne cargo funding, including the drafting of legislative
25 language; and
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27 BE IT FURTHER RESOLVED that the Department of
28 Transportation is requested to convene a committee to work and
29 consult with the Hawaii congressional delegation to sponsor a
30 bill to establish a federal waterborne cargo funding program
31 within the United States Department of Transportation; and
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33 BE IT FURTHER RESOLVED that the working group is requested
34 to work and consult with the Senate and House of Representatives
35 Standing Committees with the subject matter of Transportation,
36 county departments of transportation, and county councils in the
37 establishment of a local waterborne cargo subsidies program,
38 including the drafting of legislation; and
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40 BE IT FURTHER RESOLVED that the working group is requested
41 to submit an interim report providing an update on the status of
42 establishing these waterborne cargo subsidies programs to the



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 Resolution be transmitted to Hawaii's congressional delegation;
12 Chairperson of the Board of Agriculture; Director of Business,
13 Economic Development, and Tourism; Director of Transportation;
14 and mayors of each county.

