

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS ATTA
Deputy to the Chairperson

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DEPARTMENT OF AGRICULTURE
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON TRANSPORTATION

**WEDNESDAY, MARCH 23, 2022
11:05 A.M.**

CONFERENCE ROOM 423 & VIA VIDEOCONFERENCE

HCR 180

**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.**

Chairperson Aquino and Members of the Committee:

Thank you for the opportunity to testify on House Concurrent Resolution 180. This resolution requests the 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. The Department of Agriculture ("Department") supports the intent of this resolution and offers supporting comments.

Maritime shipping is indeed the lifeline to transport commercial and consumer goods between Hawaii and the rest of the world. Due to Hawaii's geographically disadvantaged location and its relatively small market size, the Department is in strong support of broad subsidies for trans-Pacific cargo that affect cost of inputs for local



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agriculture and interisland cargo to reduce the cost of shipping goods, and agricultural products in particular.

Accordingly, we respectfully recommend that the language on Page 3, Lines 16-18 “to improve the affordability of imported goods” be expanded to include “the increase in competitiveness of exported products.”

Thank you for the opportunity to provide testimony on this resolution.



March 23, 2022

The Honorable Representative Henry J.C. Aquino, Chair
The Honorable Representative Gregor Ilagan, Vice Chair
House Committee on Transportation

RE: House Concurrent Resolution 180 / House Resolution 180 – 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.

Hearing date: March 23, 2022, 11:05 a.m.

Aloha Chair Aquino, Vice Chair Ilagan, and Members of the House Committee on Transportation:

Thank you for allowing me to submit testimony on behalf of Young Brothers, LLC (“YB”) offering **SUPPORT** on House Concurrent Resolution 180 / House Resolution 180.

This resolution requests 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; designates membership of the requested working group; sets forth more specific directives for the requested working group; and requests that an interim report providing an update on the status of the working groups efforts be submitted to the legislature at least twenty days prior to the convening of the 2023 regular legislative session.

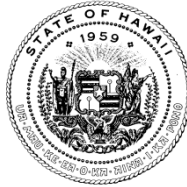
YB is generally supportive of efforts to secure subsidies that can reduce the cost of shipping goods for its customers in ways that are consistent with State policy decisions. YB believes that such policy driven subsidies should be funded from external sources (e.g., federal funds or the State General Fund) rather than through cross-subsidization between YB’s customers, which can lead to distorted non-cost-based rates for all customers.

Thank you for your service to the State of Hawaii, and for the opportunity to testify in support of this resolution.

Sincerely,

Kris Nakagawa
Vice President, External and Legal Affairs

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDUARDO P. MANGLALLAN
PATRICK H. MCCAIN
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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
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Wednesday, March 23, 2022
11:05 AM
State Capitol, Teleconference

H.C.R. 180 / H.R. 180
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.

House Committee on Transportation

The Department of Transportation (DOT) **supports** the intent of H.C.R. 180 / H.R. 180, requesting DOT to convene a working group and various committees to create and recommend federal, state, and county subsidies for the transport of waterborne cargo.

DOT concurs with the Water Carriers Working Group's final report findings and emphasizes the heavy reliance and dependency that the Hawaii communities have on the transport of waterborne cargo. Government subsidies to address the cost of shipping goods to and within Hawaii would essentially reduce the costs passed down to consumers.

Thank you for the opportunity to provide testimony.

HCR-180

Submitted on: 3/22/2022 3:34:10 PM

Testimony for TRN on 3/23/2022 11:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Morris Atta	Hawaii Department of Agriculture	Comments	Remotely Via Zoom

Comments:

I will be present to answer questions on behalf of the Department of Agriculture.

Hawaii Harbor Users Group
March 23, 2022

RE: HCR180/HR180

Dear Chair Aquino, Vice Chair Ilagan, and Members of the Committee on Transportation:

The Hawaii Harbor Users Group (HHUG) is a non-profit maritime transportation industry group comprised of key commercial harbor users. As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent Hawaii's imported goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling to service our residents and businesses.

HHUG supports HCR180/HR180, which requests 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; designates membership of the requested working group; sets forth more specific directives for the requested working group; and requests that an interim report providing an update on the status of the working groups efforts be submitted to the legislature at least twenty days prior to the convening of the 2023 Regular Session.

HHUG generally supports efforts to secure funding that can reduce the cost of shipping for the residents of Hawaii in ways that are consistent with State policy decisions. HHUG requests that the resolutions be amended to delete references to seeking federal subsidies and replace those references with language to seek broad federal funding for the movement of waterborne intrastate cargo so as not to unnecessarily restrict or limit the use of any federal funds received. We also request that your Committee amend the measure to include a representative from HHUG on the Working Group.

Thank you for your consideration of our testimony.