



TESTIMONY BY:

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STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 6, 2024
3:01 p.m.
State Capitol, Room 224

S.B. 2895
RELATING TO TRANSPORTATION

Senate Committee on Transportation and Culture and Arts

The Hawaii Department of Transportation offers **comments on S.B. 2895**, which excludes from the motor carrier safety law's definition of "motor carrier vehicle" chassis used to transport shipping containers.

The 49 Code of Federal Regulations § 393.5 (Definitions) defines a chassis as a load supporting frame of a commercial motor vehicle. The section defines a chassis as "the load-supporting frame of a commercial motor vehicle, exclusive of any appurtenances which might be added to accommodate cargo."

Hawaii has adopted the federal motor vehicle safety regulations in order to receive Federal Motor Carrier Safety Administration funding. Changing the State's definition would create a regulatory incompatibility that will jeopardize the federal funding that Hawaii receives to improve traffic safety.

We respectfully ask that S.B. 2895 be amended to the language contained in H.B. 1578, H.D. 1 which permits a shipping container chassis that holds a valid out-of-state certificate of vehicle registration to obtain a certificate of safety inspection. It also allows an out-of-state registration for a shipping container chassis to be valid in the State until its expiration in the other state or for one year after a vehicle safety inspection.

Thank you for the opportunity to provide testimony.



February 6, 2024

TO: HONORABLE CHRIS LEE, CHAIR, HONORABLE LORRAINE R. INOUE, VICE CHAIR, COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

SUBJECT: **SUPPORT OF S.B. 2895, RELATING TO TRANSPORTATION.** Excludes from the motor carrier safety law's definition of "motor carrier vehicle" chassis used to transport shipping containers..

HEARING

DATE: Tuesday, February 6, 2024
TIME: 3:01 p.m.
PLACE: Capitol Room 224

Dear Chair Lee, Vice Chair Inouye and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA supports S.B. 2895, which excludes from the motor carrier safety law's definition of "motor carrier vehicle" chassis used to transport shipping containers. However, we believe that this measure should be amended to instead allow shipping container chassis with out-of-state certificates of vehicle registration to obtain a certificate of safety inspection and allows for the out-of-state registration to be valid in the State of Hawaii for one year after the vehicle safety inspection is completed. A proposed draft is attached for your Committee's convenience.

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.

Shipping container chassis (pictured below) are a vital part of the flow of commerce. These chassis ensure that containers and the goods inside can be delivered to our stores. Due to the nature of intermodal equipment, shipping container chassis are frequently moved from port to port. Almost every other state in the United States recognizes the intermodal, interstate nature of shipping container chassis and recognizes out-of-state license plates and registrations. Allowing out-of-state registered shipping container chassis to obtain a safety check in Hawaii will ensure the safety and roadworthiness of shipping container chassis and ensure the safe and efficient flow



**GENERAL
CONTRACTORS
ASSOCIATION
OF HAWAII**

of commerce throughout our State while requiring the shipping container chassis to be registered in Hawaii within a reasonable time.



QUALITY PEOPLE. QUALITY PROJECTS

Thank you for considering our testimony in support.

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Chapter 286, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§286- Shipping container chassis; out-of-state
5 registration; safety inspection; validity. (a) Notwithstanding
6 any law to the contrary, a shipping container chassis that holds
7 a valid certificate of vehicle registration from another state
8 and used for transporting shipping containers shall be eligible
9 to obtain a certificate of safety inspection and a safety
10 inspection decal pursuant to section 286-209.

11 (b) Notwithstanding any law to the contrary, a valid
12 certificate of registration issued for a shipping container
13 chassis from another state shall be valid in the State of Hawaii
14 until the certificate of registration expires in the issuing
15 state; provided that the shipping container chassis is used for
16 transporting shipping containers; provided further that if the
17 shipping container chassis is issued a certificate of vehicle

1 safety inspection pursuant to subsection (a), the out-of-state
2 registration shall be valid in the State of Hawaii for one year
3 from the date of the vehicle safety inspection."

4 SECTION 2. New statutory material is underscored.

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

HAWAII HARBORS USERS GROUP

Support for SB2895

Before the Committee on Transportation and Culture and the Arts

February 6, 2024

Aloha Chair Lee, Vice Chair Inouye, and Members of the Committee:

The Hawaii Harbor Users Group (HHUG) is a non-profit maritime transportation industry group comprised of key commercial harbor users statewide. Members of HHUG play a vital role in our state's economic development and sustainability, as well as cargo operations and tourism. The safe and efficient operations of Hawaii harbors are critical to connecting Hawaii's most remote and isolated communities to the rest of the state and, indeed, the world.

We are writing to Support on SB2895. We respectfully request that the bill be amended as follows:

SECTION 1. Chapter 286, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§286- Shipping container chassis; out-of-state registration; safety inspection; validity. (a) Notwithstanding any law to the contrary, a shipping container chassis that holds a valid certificate of vehicle registration from another state and used for transporting shipping containers shall be eligible to obtain a certificate of safety inspection and a safety inspection decal pursuant to section 286-209.

(b) Notwithstanding any law to the contrary, a valid certificate of registration issued for a shipping container chassis from another state shall be valid in the State of Hawaii until the certificate of registration expires in the issuing state; provided that the shipping container chassis is used for transporting shipping containers; provided further that if the shipping container chassis is issued a certificate of vehicle safety inspection pursuant to subsection (a), the out-of-state

registration shall be valid in the State of Hawaii for one year from the date of the vehicle safety inspection."

SECTION 2. New statutory material is underscored.

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

We believe that allowing out-of-state registered shipping container chassis to obtain a safety check in Hawaii will ensure the safety and roadworthiness of shipping container chassis and ensure the safe and efficient flow of commerce throughout our State while requiring the shipping container chassis to be registered in Hawaii within a reasonable time.

Hawaii's economy, and virtually every aspect of life in our islands, is dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo. The vast majority of 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.

Thank you for considering our testimony on this measure.

Testimony of Matson Navigation Company, Inc.
Support of SB2895 With Amendments
Before the Committee on Transportation
February 6, 2024

Dear Chair Lee, Vice Chair Inouye, and Members of the Committee:

Matson Navigation Company, Inc. (Matson) supports SB2895, which, excludes shipping container chassis from the definition of “motor vehicle carrier” under State law. However, Matson believe that this measure should be amended to instead allow shipping container chassis with out-of-state certificates of vehicle registration to obtain a certificate of safety inspection and allows for the out-of-state registration to be valid in the State of Hawaii for one year after the vehicle safety inspection is completed. A proposed draft is attached for your Committee’s convenience.

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.

Shipping container chassis (pictured below) are a vital part of the flow of commerce. These chassis ensure that containers and the goods inside can be delivered to our stores. Due to the nature of intermodal equipment, shipping container chassis are frequently moved from port to port. Almost every other state in the United States recognizes the intermodal, interstate nature of shipping container chassis and recognizes out-of-state license plates and registrations. Allowing out-of-state registered shipping container chassis to obtain a safety check in Hawaii will ensure the safety and roadworthiness of shipping container chassis and ensure the safe and efficient flow of commerce through out our State while requiring the shipping container chassis to be registered in Hawaii within a reasonable time.



Thank you for considering our testimony in support with suggested amendments.

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Chapter 286, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§286- Shipping container chassis; out-of-state
5 registration; safety inspection; validity. (a) Notwithstanding
6 any law to the contrary, a shipping container chassis that holds
7 a valid certificate of vehicle registration from another state
8 and used for transporting shipping containers shall be eligible
9 to obtain a certificate of safety inspection and a safety
10 inspection decal pursuant to section 286-209.

11 (b) Notwithstanding any law to the contrary, a valid
12 certificate of registration issued for a shipping container
13 chassis from another state shall be valid in the State of Hawaii
14 until the certificate of registration expires in the issuing
15 state; provided that the shipping container chassis is used for
16 transporting shipping containers; provided further that if the
17 shipping container chassis is issued a certificate of vehicle

1 safety inspection pursuant to subsection (a), the out-of-state
2 registration shall be valid in the State of Hawaii for one year
3 from the date of the vehicle safety inspection."

4 SECTION 2. New statutory material is underscored.

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



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 6, 2024
Re: SB 2895 RELATING TO TRANSPORTATION**

Good afternoon, Chair Lee and members of the Senate Committee on Transportation & Culture and the Arts. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

We SUPPORT SB 2895. This bill excludes from the motor carrier safety law's definition of "motor carrier vehicle" chassis used to transport shipping containers.

We also humbly ask that there be an amendment to allow shipping container chassis with out-of-state certificates of vehicle registration to obtain a certificate of safety inspection and allows for the out-of-state registration to be valid in the State of Hawaii for one year after the vehicle safety inspection is completed. A proposed draft is attached for your Committee's convenience.

It is our understanding that almost every other state in the United States recognizes the intermodal, interstate nature of shipping container chassis and recognizes out-of-state license plates and registrations. Allowing out-of-state registered shipping container chassis to obtain a safety check in Hawaii will ensure the safety and roadworthiness of shipping container chassis and ensure the safe and efficient flow of commerce throughout our State while requiring the shipping container chassis to be registered in Hawaii within a reasonable time.

As we are all aware, Hawaii is very dependent upon shipping 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.

Shipping container chassis (pictured below) are a vital part of the flow of commerce. These chassis ensure that containers and the goods inside can be delivered to our stores. Due to the nature of intermodal equipment, shipping container chassis are frequently moved from port to port.



We respectfully urge you to pass this bill with above mentioned amendments. Mahalo again for this opportunity to testify.

A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Chapter 286, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§286- Shipping container chassis; out-of-state
5 registration; safety inspection; validity. (a) Notwithstanding
6 any law to the contrary, a shipping container chassis that holds
7 a valid certificate of vehicle registration from another state
8 and used for transporting shipping containers shall be eligible
9 to obtain a certificate of safety inspection and a safety
10 inspection decal pursuant to section 286-209.

11 (b) Notwithstanding any law to the contrary, a valid
12 certificate of registration issued for a shipping container
13 chassis from another state shall be valid in the State of Hawaii
14 until the certificate of registration expires in the issuing
15 state; provided that the shipping container chassis is used for
16 transporting shipping containers; provided further that if the
17 shipping container chassis is issued a certificate of vehicle

1 safety inspection pursuant to subsection (a), the out-of-state
2 registration shall be valid in the State of Hawaii for one year
3 from the date of the vehicle safety inspection."

4 SECTION 2. New statutory material is underscored.

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



WRITTEN TESTIMONY ONLY

February 6, 2024

Senator Chris Lee, Chair
Senator Lorraine R. Inouye, Vice Chair
Senate Committee on Transportation and Culture and the Arts

RE: SENATE BILL 2895 – RELATING TO TRANSPORTATION
Hearing date: February 6, 2024, 3:01 p.m.

Aloha Chair Lee, Vice Chair Inouye, and Members of the Committee:

Thank you for the opportunity to submit testimony on behalf of Young Brothers, LLC (“YB”) offering **SUPPORT with Amendments** for Senate Bill 2895 – Relating to Transportation.

YB is a common carrier by water, transporting property by tug and barge between the islands of O‘ahu, Hawai‘i, Kaua‘i, Maui, Moloka‘i, and Lāna‘i. YB is currently the only water carrier authorized to transport property under Chapter 271G, Hawaii Revised Statutes (“HRS”) (i.e., the Hawaii Water Carrier Act), subject to the regulatory authority of the Public Utilities Commission of the State of Hawaii (“PUC”). Since 1900, customers across Hawaii have relied on YB’s frequent, regular, and universal sailings to serve as the bridge that connects all communities in this island-state.

This measure would exclude chassis used to transport shipping containers from the definition of “motor carrier vehicle” under Section 286-201, Hawaii Revised Statutes.

Shipping container chassis are frequently used to transport shipping containers into, out of, and around the State of Hawai‘i. Often, these chassis come from and are registered in other states. YB notes that the proposed H.D. 1 for HB 1578 would allow certain shipping container chassis with out-of-state certificates of registration to obtain a local certificate of safety inspection and allows for the out-of-state registration to be valid in the State of Hawaii for one year after the vehicle safety inspection is completed. The proposed H.D. 1 for HB 1578 recognizes the interstate nature of these chassis and establishes reasonable registration requirements that still preserve the safety and roadworthiness of such chassis through the local safety inspection process. YB believes that identical amendments should be made to this measure.

For the reasons stated above, YB offers **SUPPORT with Amendments** for this measure.

Thank you for your service to the State of Hawaii, and for the opportunity to testify offering comments on this measure.

Sincerely,

Kris Nakagawa
Vice President, External and Legal Affairs