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COUNTY COUNCIL

COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
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March 31, 2025

TO: The Honorable Kyle T. Yamashita, Chair
House Committee on Finance

FROM: Alice L. Lee
Council Chair

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

SUBJECT: **HEARING OF APRIL 1, 2025; TESTIMONY IN SUPPORT OF SB1638, SD2, HD1, RELATING TO AIR CARRIERS**

I **support** this measure to appropriate funds and establish a three-year Molokai Air Carrier Subsidy Pilot Program within the Department of Transportation to provide subsidies to airlines operating out of Molokai Airport.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. Molokai residents depend on affordable and reliable air travel for essential needs, including medical appointments, work, and family obligations. With limited airline options serving the island, high ticket prices create financial hardships for residents who rely on interisland flights.
2. Subsidizing additional air carriers would create more options for Molokai residents and reduce the burden on a single carrier serving the community.
3. A structured subsidy program would ensure accountability and efficiency, by requiring compliance with State and federal regulations and ensuring funds are used to benefit Molokai residents. The program would also mandate annual auditing, providing transparency.

Thank you for your consideration.

**Testimony to the House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair**

**Tuesday, April 1, 2025, at 2:00PM
Conference Room 308 & Videoconference**

RE: SB1638 SD2 HD1 Relating to Air Carriers

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports Senate Bill 1638 SD2 HD1 (SB1638 SD2 HD1), which establishes within the Department of Transportation a three-year Molokai Air Carrier Subsidy Pilot Program to provide subsidies to airlines operating out of Molokai Airport.

SB1638 SD2 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Molokai residents face high air travel costs that hinder access to essential services, including healthcare, education, and employment, making affordable air transportation a critical need. This legislation establishes a three-year Molokai Air Carrier Subsidy Pilot Program within the Department of Transportation to provide financial assistance to carriers operating out of Molokai Airport. Eligible air carriers must demonstrate improvements in service frequency, reduced fares, or innovative pricing that benefits low-income and frequent travelers, while rigorous oversight measures, including biannual reports and annual audits, ensure proper use of funds. Improved air service is also vital for enabling timely medical transport for new mothers, infants, and our aging population, ensuring that all residents receive the healthcare they need.

By providing for more air carriers and lowering travel costs, this program enhances economic opportunities on Molokai while supporting public health by ensuring reliable access to critical medical services. Moreover, it fosters collaboration with federal agencies and congressional representatives to align local and national aviation policies with community needs. The Chamber supports this legislation because it directly tackles transportation challenges, improves access to essential services, and promotes sustainable economic growth in remote communities.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass Senate Bill 1638 Senate Draft 2 House Draft 1. Thank you for the opportunity to testify.

SB-1638-HD-1

Submitted on: 3/31/2025 11:34:35 AM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosie F Davis	Huli Au Ola Maui County AHEC	Support	Remotely Via Zoom

Comments:

Aloha,

The Huli Au Ola, Maui County Area Health Education Center supports this bill. I will testify in person. Please send me the link

Mahalo Nui

SB-1638-HD-1

Submitted on: 3/31/2025 1:55:28 PM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Faith Tuipulotu	Molokai Homestead Farmers Alliance	Support	Remotely Via Zoom

Comments:

Aloha,

I am in support of SB 1638.

Mahalo,

Faith Tuipulotu

Aloha Chair, Vice Chair, and Members of the Committee,

My name is George K. Kaanana, President & General Manager of Kamaka Air LLC. I am writing in strong support of SB1638 SD2 HD1, which seeks to establish a three-year Molokai Air Carrier Subsidy Pilot Program under the Department of Transportation to provide financial support to airlines operating out of Molokai Airport.

Kamaka Air has been proudly serving Hawaii since its founding in 1993, with service to Molokai for over three decades. Our commitment to the island extends beyond cargo operations—we also provide on-demand passenger charter services, support the community through volunteer efforts, and provide complimentary transport of freight for nonprofit organizations. We are available 24/7, 365 days a year, ensuring that Molokai residents and businesses have access to critical transportation whenever they need it.

In addition to Molokai, Kamaka Air serves airports across the Hawaiian Islands, providing reliable cargo and passenger charter services to meet the diverse transportation needs of businesses and residents throughout the state. As a locally owned and operated carrier, we understand the critical role that inter-island air transportation plays in keeping our communities connected. This subsidy program would provide much-needed financial stability, allowing us to sustain and expand our operations to better serve the island's residents.

Mahalo for your time and consideration.

Kind Regards,

George K. Kaanana
President & General Manager, Kamaka Air LLC

SB-1638-HD-1

Submitted on: 3/30/2025 2:19:59 PM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Support	Written Testimony Only

Comments:

strong support as a resident who flies often and experiences many delays, we need more services and reliable services for our Island residents

SB-1638-HD-1

Submitted on: 3/31/2025 8:04:05 AM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexa VT Dudoit	Individual	Support	Written Testimony Only

Comments:

Aloha Kakou!

I am a full-time resident of Molokai and have lived here my entire life. I have witnessed many airlines come and go on this island. We are in desperate need of support for the airlines that serve Molokai. It is crucial that we have airlines that are ethical, reliable, and dependable.

I support Bill 1638 and strongly urge you to approve this bill to benefit our Molokai community. Thank you for your service and time. We greatly appreciate all your efforts in supporting this measure.

Sincerely,
Alexa & Reyn Dudoit

SB-1638-HD-1

Submitted on: 3/31/2025 3:10:58 PM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charlotte Perronne-Preiss	Individual	Support	Written Testimony Only

Comments:

I first visited Molokai 35 years ago, bought a condo there almost 26 years ago, and became a full-time time resident 6 years ago. I've seen many changes during that time, but one of the most troubling is the dwindling airline options and service provided for the residents of Molokai. I'm sure you are all aware of the erratic schedule including several complete suspensions of service by Mokulele over the past few years. Having only one airline (Mokulele) occurred during the pandemic. The residents of Molokai deserve better. We have waited for this dire situation to improve, and continue to be disappointed. Our health/medical issues, along with employment, and educational opportunities plus a host of other needs are adversely impacted by unreliable airline service from only one carrier. Please help us by supporting the Molokai Air Carrier Subsidy Program.

Mahalo, Charlotte Perronne-Preiss

SB-1638-HD-1

Submitted on: 3/31/2025 7:38:21 PM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelcy Durbin	Individual	Support	Written Testimony Only

Comments:

Dear Members of the Hawaii Legislature,

I am writing to express my strong support for SB 1638, which aims to establish a three-year Molokai Air Carrier Subsidy Pilot Program within the Department of Transportation. This bill is a significant step toward addressing the critical transportation needs of Molokai residents and enhancing the accessibility of the island.

Molokai is isolated, with limited transportation options. The establishment of the Molokai Air Carrier Subsidy Pilot Program will provide subsidies to airlines operating out of Molokai Airport, ensuring more reliable and affordable air travel for the residents and visitors of Molokai. This initiative is crucial for several reasons:

Molokai residents often need to travel to other islands for medical care and services. The implementation of this program will ensure that these essential trips are more affordable and accessible, thereby improving the health and wellbeing of the Molokai community.

Improved air travel will provide students and professionals with greater opportunities to pursue education and career advancements on other islands. It will also facilitate cultural exchange and connectivity, enriching the lives of Molokai residents.

Reliable air carrier services are crucial in emergencies, whether they involve medical evacuations or disaster response. The subsidy program will ensure that airlines operating out of Molokai Airport can maintain essential services during critical times.

In conclusion, SB 1638 represents a forward-thinking approach to addressing the transportation needs of Molokai. By establishing the Molokai Air Carrier Subsidy Pilot Program, the Legislature will be investing in the economic, social, and health-related welfare of Molokai residents. I urge you to pass this bill and appropriate the necessary funds to make this program a reality.

Thank you for your consideration.

Kelcy Durbin



MOLOKA'I DRUGS, INC.
EST. 1935

March 31, 2025

Testimony in SUPPORT for SB1638, SD2 – Relating to Air Carriers

Dear Chair Yamashita, Vice Chair Takenouchi, and members of the House Finance Committee:

As a **rural** healthcare provider, access to comprehensive, high-quality health care services is our mission at Moloka'i Drugs, Inc. On behalf of our employees and patients, I am testifying in favor of SB1638, SD2, which would support funding of reliable air travel to-and-from Molokai for medical personnel and patients.

In the past two years, our community has lost medical and dental professionals due to limited and challenging air travel. This includes an ophthalmologist who left a year ago and served Moloka'i for over 20 years.

In the past couple of months, I have personally seen at least six, full-time residents sell their homes and relocate to Tennessee, New Mexico, Nevada, and Oahu. These former residents were also high-earners who paid significant taxes. All mentioned the health care challenges on island as a reason for their moves.

Every week, our pharmacy staff and I know and talk to Moloka'i residents who have missed cancer treatments, dental cleanings, occupational and/or physical therapy, surgeries, colonoscopies and other specialists' appointments due to the single air carrier cancelling or delaying flights. To plan for the stress of air transportation, hundreds of Moloka'i residents have made thousands of flights **the day before** a medical appointment to guarantee arrival before their sessions. This comes with the added financial burden for many Moloka'i families of car rentals, overnight stays in hotels, and additional meals and incidentals.

For many of our older and/or physically challenged residents, it is not one roundtrip flight, but, two roundtrip flights—one airplane ticket for the patient and one airplane ticket for his/her caregiver.

Moloka'i is a medically underserved area. SB1638, S2 will help provide health care stability via an air carrier program accountable to the State of Hawai'i. This measure will also require an annual report to the Hawai'i Legislature, which will also provide accountability and transparency. We ask that you support this bill and provide this one-time appropriation of \$1,000,000 from General Funds funding this fiscal year. Per earlier testimony, the Hawai'i Department of Transportation will have non-General Funds in place for next fiscal year. Thank you.

Sincerely,

/s/ Kimberly Mikami Svetin

Kimberly Mikami Svetin
President
Moloka'i Drugs, Inc.
P.O. Box 558
Kaunakakai, HI 96748
Work 808-553-5790