SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONVENE A WORKING GROUP TO DEVELOP AND RECOMMEND FEDERAL, STATE, AND COUNTY PROGRAMS SUBSIDIZING THE TRANSPORT OF WATERBORNE CARGO.

WHEREAS, S.R. No. 125, S.D. 1, (2020) requested that the Public Utilities Commission, in collaboration with the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and any interisland water carriers operating in the State, convene a Water Carrier Working Group to recommend mid-term and long-term solutions that would balance the need for continuous interisland water carrier services throughout the State with the need for water carriers to maintain financial sustainability; and

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

WHEREAS, the report noted that the State's communities are largely dependent on the import of goods, finding that more than eighty percent of goods consumed in the State are imported, with ninety-eight percent of those goods being transported as waterborne cargo; and

WHEREAS, the report further noted that unlike other communities in the continental United States that have alternative means of transporting goods by freight and rail, the geography of the State necessitates the employment of water carriers to transport goods; and

WHEREAS, the report additionally noted that the cost of shipping goods to and within the State inflates the cost of imported goods consumed in the State by as much as 7.5 percent; and

WHEREAS, the report additionally noted that the State's dependence on imported goods necessitates maritime support to ensure food security in the State; and

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WHEREAS, the report also noted that while agricultural specific subsidies exist for aircraft that transport cargo to remote destination, similar subsidies do not exist for general cargo transport to and within the State; and

WHEREAS, the report recommended that the funding required to subsidize general cargo transport be sourced from existing or newly created federal, state, and county government programs;

WHEREAS, the report also recommended that the Legislature pass a resolution requesting the Department of Transportation to convene a working group to develop and recommend federal, state, and county subsidies for the transport of waterborne cargo, and to provide the Legislature with a status update of these programs no later than twenty days prior to the convening of the Regular Session of 2023; and

WHEREAS, the report specifically recommended that the 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; and

WHEREAS, the report further specifically recommended that the Department of Transportation lead a committee to work and consult with the Hawaii State Senate and House of Representatives committees with jurisdiction over transportation, county departments of transportation, and county councils in the establishment of a local waterborne cargo subsidies program, including the drafting of legislation; and

WHEREAS, the report also specifically recommended that the Department of Transportation lead a committee to work and consult with the Hawaii congressional delegation to sponsor a bill establishing a federal waterborne cargo subsides program

within the United States Department of Transportation; now, therefore,

BE IT RESOLVED by the Senate of the Thirty-third Legislature of the State of Hawaii, Regular Session of 2025, the House of Representatives concurring, that the Department of Transportation is requested to convene a working group to develop and recommend federal, state, and county programs subsidizing the transport of waterborne cargo; and

BE IT FURTHER RESOLVED that the working group is requested to comprise the following members:

(1) The President of the Senate or the President's designee;

(2) The Speaker of the House of Representatives or the Speaker's designee;

(3) The mayor of each county or the respective mayor's designee;

(4) One member representing the Department of Business, Economic Development, and Tourism;

(5) One member representing the Department of Transportation;

(6) One member representing the Department of Agriculture;

(7) The chairs of the respective senate and house committees with jurisdiction over transportation; and

(8) One member from each water carrier operating in the State; and

BE IT FURTHER RESOLVED that the working group is requested to submit a report providing a status update on the development of these programs no later than twenty days prior to the convening of the Regular Session of 2026; and

 BE IT FURTHER RESOLVED that the Department of Transportation is requested to lead a committee work and consult with the respective senate and house committee with jurisdiction over transportation, county departments of transportation, and county councils in the establishment of a local waterborne cargo subsidies program, including the drafting of legislation; and

BE IT FURTHER RESOLVED that the Department of Transportation is requested to lead a committee to work and consult with the Hawaii congressional delegation to sponsor a bill to establish a federal waterborne cargo subsidies program within the United States Department of Transportation; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Chairperson of the Board of Agriculture; Director of Business, Economic Development, and Tourism; Director of Commerce and Consumer Affairs; Director of Transportation; President of the Senate; Speaker of the House of Representatives; Chairs of the respective senate and house committees with jurisdiction over transportation; and Mayor of each county.