STAND. COM. REP. NO. 1560

Honolulu, Hawaii April 8, 2011

RE: S.B. No. 98 S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 98, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO WATER CARRIERS,"

begs leave to report as follows:

The purpose of this bill is to ensure that Hawaii's regulated water cargo transportation industry serves the public interest by, among other things:

- Requiring the Public Utilities Commission (PUC) to hold public hearings, subject to specified notice requirements, before approving a water carrier's application for a certificate of public convenience and necessity;
- (2) Specifying the findings required to support the issuance of a certificate of public convenience and necessity to a water carrier, and requiring these findings to be supported by evidence in the record;
- (3) Prohibiting PUC from issuing any certificate of public convenience and necessity that is designated as interim or temporary or that otherwise does not conform to the requirements contained in this measure except in response to an emergency situation and stipulating what constitutes an emergency situation; and



STAND. COM. REP. NO. 1560 Page 2

(4) Requiring PUC to post a link on its website to a publicly accessible electronic version of each application for a certificate of public convenience and necessity submitted by a water carrier and each order of PUC related to the posted applications and to specify requirements for the type, method, and duration of postings.

The Hawaii Farm Bureau Federation; Maui Hotel and Lodging Association; and Young Brothers, Limited testified in support of this measure. The Consumer Advocate of the Department of Commerce and Consumer Affairs and PUC provided comments.

Your Committee has amended this bill by:

- (1) Clarifying that issuance of a certificate of public convenience and necessity would not permit an applicant to serve only high-margin or high-profit ports or lines of service that are currently serviced by an existing carrier; provided that an interisland water carrier that proposes to transport primarily passengers shall not be considered to be in the same line of service as an existing cargo carrier;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 98, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 98, S.D. 2, H.D. 1.

STAND. COM. REP. NO. 1560 Page 3

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chair



State of Hawaii House of Representatives The Twenty-sixth Legislature



Record of Votes of the Committee on Finance

SB 90, SD2 TRN/CRC, FIN 9/14//// The committee is reconsidering its previous decision on the measure. The recommendation is to: Pass, unamended (as is) Pass, with amendments (ID) Hold Pass short form bill with HD to recommit for future public hearing (recommit) FIN Members Ayes Ayes (WR) Nays Excused 1. OSHIRO, Marcus R. (C) U Image: Committee accommit for future public hearing (recommit) Image: Committee accommit for future public hearing (recommit) Excused 2. LEE, Marilyn B. (VC) U Image: Committee accommit for future public hearing (recommit) Excused 3. CHONG, Pono U Image: Committee accommit for future public hearing (recommit) Excused 4. CHOY, Isaac W. U Image: Committee accommit for future public hearing (recommit) Excused 5. COFFMAN, Demay U Image: Committee accommit for future public hearing (recommit) Image: Committee accommit for future public hearing (recommit) 9. ICHIYAMA, Linde U Image: Committee accommit for future public hearing (recommit for future public hearing (recommit for future public hearing (recommit for future public hearing (recommit) Image: Committee accommit for future public hearing (recommit for future public hearing (recommit for future fu	Bill/Resolution No.:	Committee		Dat			
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) Excused I. OSHIRO, Marcus R. (C) V Image: Committing (recommit) 2. LEE, Marilyn B. (VC) V Image: Committing (recommit) 3. CHONG, Pono V Image: Committing (recommit) 4. CHOY, Issae W. V Image: Committing (recommit) 5. COFFMAN, Denny V Image: Committing (recommit) 6. CULLEN, Ty V Image: Committing (recommit) 7. HAR, Sharon E. V Image: Committing (recommit) 8. HASHEM, Mark J. V Image: Committing (recommit) 9. ICHIYAMA, Linda V Image: Committing (recommit) 10. JORDAN, Jo V Image: Committing (recommit) 11. LEE, Chris V Image: Committing (recommit) 12. MORIKAWA, Dee V Image: Committing (recommit) 13. TOKIOKA, James Kunane V Image: Committing (recommet) 14. YAMASHITA, Kyle T. Image: Committing (recommet) Image: Committing (recommet) 15. MARUMOTO, Barabara C. Image: Committing (recommet) Image: Com	SB 40, SDZ	TRN	VCPC FI	N		//	
Pass short form bill with HD to recommit for future public hearing (recommit) FIN Members Ayes Ayes (WR) Nays Excused 1. OSHIRO, Marcus R. (C) Image: Committee and the strength of the strengt of the strength of the strength of the strength of the strength	The committee is reconsidering its previous decision on the measure.						
FIN Members Ayes Ayes (WR) Nays Excused 1. OSHIRO, Marcus R. (C) V							
1. OSHIRO, Marcus R. (C) ✓ 2. LEE, Marilyn B. (VC) ✓ 3. CHONG, Pono ✓ 4. CHOY, Isaac W. ✓ 5. COFFMAN, Denny ✓ 6. CULLEN, Ty ✓ 7. HAR, Sharon E. ✓ 8. HASHEM, Mark J. ✓ 9. ICHIYAMA, Linda ✓ 10. JORDAN, Jo ✓ 11. LEE, Chris ✓ 12. MORIKAWA, Dee ✓ 13. TOKIOKA, James Kunane ✓ 14. YAMASHITA, Kyle T. ✓ 15. MARUMOTO, Barbara C. ✓ 16. RIVIERE, Gil ✓ 17. WARD, Gene ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ <	Pass short form bill with HD to recommit for future public hearing (recommit)						
2. LEE, Marilyn B. (VC) ✓ 3. CHONG, Pono ✓ 4. CHOY, Isaac W. ✓ 5. COFFMAN, Denny ✓ 6. CULLEN, Ty ✓ 7. HAR, Sharon E. ✓ 8. HASHEM, Mark J. ✓ 9. ICHIYAMA, Linda ✓ 10. JORDAN, Jo ✓ 11. LEE, Chris ✓ 12. MORIKAWA, Dee ✓ 13. TOKIOKA, James Kunane ✓ 14. YAMASHITA, Kyle T. ✓ 15. MARUMOTO, Barbara C. ✓ 16. RIVIERE, Gil ✓ 17. WARD, Gene ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ <t< td=""><td colspan="2">FIN Members</td><td>Ayes</td><td>Ayes (WR)</td><td>Nays</td><td>Excused</td></t<>	FIN Members		Ayes	Ayes (WR)	Nays	Excused	
3. CHONG, Pono	1. OSHIRO, Marcus R. (C)			• • · · · ·			
4. CHOY, Isaac W.	2. LEE, Marilyn B. (VC)		\checkmark				
5. COFFMAN, Denny - 6. CULLEN, Ty - 7. HAR, Sharon E. - 8. HASHEM, Mark J. - 9. ICHTYAMA, Linda - 10. JORDAN, Jo - 11. LEE, Chris - 12. MORIKAWA, Dee - 13. TOKIOKA, James Kunane - 14. YAMASHITA, Kyle T. - 15. MARUMOTO, Barbara C. - 16. RIVIERE, Gil - 17. WARD, Gene - - - - - - - - - - - - - 15. MARUMOTO, Barbara C. - - - 16. RIVIERE, Gil - 17. WARD, Gene - - - - - - - - - - - - - - - - - - - - - <td< td=""><td>3. CHONG, Pono</td><td></td><td>/</td><td></td><td></td><td></td></td<>	3. CHONG, Pono		/				
6. CULLEN, Ty ////////////////////////////////////	4. CHOY, Isaac W.		Ĩ,				
7. HAR, Sharon E.	5. COFFMAN, Denny		\checkmark				
8. HASHEM, Mark J. ////////////////////////////////////			\checkmark				
10. JORDAN, Jo Image: Constraint of the system of the			\checkmark			_	
10. JORDAN, Jo Image: Constraint of the system of the			<i>V</i>				
11. LEE, Chris Image: Constraint of the second							
12. MORIKAWA, Dee Image: Constraint of the system of t			V				
13. TOKIOKA, James Kunane ////////////////////////////////////			\checkmark				
14. YAMASHITA, Kyle T. Image: Constraint of the system			~				
15. MARUMOTO, Barbara C. Image: Constraint of the system of the syst							
16. RIVIERE, Gil Image: Constraint of the system of th					· · ·		
17. WARD, Gene	· · · · · · · · · · · · · · · · · · ·		,				
TOTAL (17) The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s) Vice Chair's or designee's signature:			\mathcal{V}				
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,	17. WARD, Gene						
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
The recommendation is: Adopted Image: Not Adopted did not support recommendation. If joint referral,							
If joint referral,	TOTAL (17)		16	O	\bigcirc		
	If joint referral, did not support recommendation.						
Distributions Original (White) Committee Durlings (Wellow) Object Objects Objects Objects Objects	Vice Chair's or designee's signature:ManpBdel						
Distribution: Original (White) Committee Duplicate (Yellow) Chief Clerk's Office Duplicate (Pink) HMSO							