



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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GOVERNOR

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AMENDED TESTIMONY

LATE TESTIMONY

Statement of
Richard C. Lim
Director

Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON TRANSPORTATION
and

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Wednesday, April 3, 2013

11:10 AM

State Capitol, Conference Room 309

in consideration of
HCR 204

**REQUESTING THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT, AND
TOURISM TO ESTABLISH A WORKING GROUP TO STUDY, CONSIDER, AND
RECOMMEND WAYS TO REDUCE THE TRANSPORT TIME AND COST OF
SHIPPING GOODS TO OAHU FROM MOLOKAI, LANAI, AND HANA, MAUI.**

Chairs Yamane and Tsuji, Vice Chairs Ichiyama and Ward, and Members of the
Committees.

The Department of Business, Economic Development, and Tourism, (DBEDT)
appreciates the overall concept of HCR 204. However, DBEDT does not have the
necessary resources to convene such a working group or conduct such a study on ways
to reduce the transport time and cost of shipping goods to Oahu from Molokai, Lanai,
and Hana. We estimate that approximately \$75,000 will be necessary to undertake this
initiative. We also recommend that the Public Utilities Commission be added to the
working group.

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

NEIL ABERCROMBIE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



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To: The Honorable Ryan I. Yamane, Chair
and Members of the House Committee on Transportation

The Honorable Clift Tsuji, Chair
And Members of the House Committee on Economic Development & Business

Date: Wednesday, April 03, 2013
Time: 11:10 a.m.
Place: Conference Room 309, State Capitol

From: Frederick D. Pablo, Director
Department of Taxation

Re: H.C.R. No. 204 Requesting the Director of Business, Economic Development, and Tourism to Establish a Working Group to Study, Consider, and Recommend Ways to Reduce the Transport Time and Cost of Shipping Goods to Oahu from Molokai, Lanai, and Hana, Maui.

The Department **appreciates the intent** of H.C.R. No. 204 and provides the following information and comments for your consideration.

H.C.R. No. 204 requests the Director of the Department of Business, Economic Development, and Tourism (DBEDT) to create a working group to study interisland shipping and recommend ways to lower its costs and improve its timeliness. The resolution suggests a list of topics and strategies for the group's consideration, including the reduction of taxes and the creation of tax incentives. The resolution lists the Director of Taxation or his designee as a member of the working group.

The Department notes that it has no familiarity with issues related to interisland shipping, but is willing to work with DBEDT on technical tax matters should tax-related issues arise.

Thank you for the opportunity to provide comments.