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# SENATE CONCURRENT RESOLUTION

REQUESTING THE HAWAII STATE DEPARTMENT OF TRANSPORTATION TO  
CONVENE A WORKING GROUP AND VARIOUS COMMITTEES TO CREATE  
AND RECOMMEND STATE AND COUNTY SUBSIDIES AND FEDERAL  
FUNDING FOR THE TRANSPORT OF WATERBORNE CARGO CONSISTENT  
WITH THE FINDINGS AND RECOMMENDATIONS OF THE WATER CARRIERS  
WORKING GROUP'S FINAL REPORT.

1 WHEREAS, Senate Resolution No. 125, S.D. 1, Regular Session  
2 of 2020, requested that the Public Utilities Commission, in  
3 collaboration with the Department of Commerce and Consumer  
4 Affairs' Division of Consumer Advocacy and any interisland water  
5 carriers operating in the State, convene a Water Carriers  
6 Working Group to recommend mid-term and long-term solutions to  
7 balance the need for continuous interisland water carrier  
8 service throughout the State with the need for water carriers to  
9 maintain financial sustainability; and

10  
11 WHEREAS, on December 27, 2021, the Water Carriers Working  
12 Group issued its final report on its findings and  
13 recommendations; and

14  
15 WHEREAS, the Water Carriers Working Group's final report  
16 noted that:

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18 (1) Hawaii's communities are mostly dependent on the  
19 import of goods, as over eighty percent of goods  
20 consumed in Hawaii are imported, of which over ninety-  
21 eight percent is transported as waterborne cargo;

22  
23 (2) Hawaii must rely heavily on transport of cargo by  
24 water carrier, unlike other communities in the  
25 continental United States that have alternative means  
26 of transporting goods by truck and rail;  
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- 1 (3) The cost of shipping goods to and within Hawaii is  
2 reflected in the cost of imported goods consumed in  
3 Hawaii and has been calculated to be as much as 7.5  
4 percent of the cost of the goods;  
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- 6 (4) Due to Hawaii's dependency on the import of goods,  
7 maritime support to ensure food security in the State  
8 is required; and  
9
- 10 (5) While there are agricultural-specific subsidies, as  
11 well as subsidies for aircrafts transporting to remote  
12 destinations, subsidies do not currently exist for  
13 general cargo transport to and within Hawaii; and  
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15 WHEREAS, the Water Carriers Working Group's final report  
16 recommended that:  
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- 18 (1) A broad subsidy for trans-Pacific and interisland  
19 cargo could reduce the cost of goods;  
20
- 21 (2) The source of such subsidies could be from existing or  
22 newly created federal, state, and county government  
23 programs;  
24
- 25 (3) The Legislature pass a resolution directing the Hawaii  
26 State Department of Transportation to convene a  
27 working group to create and recommend federal, state,  
28 and county subsidies for the transport of waterborne  
29 cargo and provide an update on the status of creating  
30 these programs to the Legislature prior to the  
31 convening of the Regular Session of 2023;  
32
- 33 (4) The Hawaii State Department of Transportation lead a  
34 committee to continue working and consulting with the  
35 United States Department of Transportation in the  
36 establishment of a federal waterborne cargo subsidies  
37 program, including the drafting of legislative  
38 language;  
39
- 40 (5) The Hawaii State Department of Transportation lead a  
41 committee to work and consult with the Hawaii  
42 Congressional Delegation to sponsor a bill to



1 establish a federal waterborne cargo subsidies program  
2 within the United States Department of Transportation;  
3 and  
4

- 5 (6) The Hawaii State Department of Transportation lead a  
6 committee to work and consult with the Hawaii State  
7 Senate and House of Representatives Standing  
8 Committees on Transportation, county departments of  
9 transportation, and county councils in the  
10 establishment of local waterborne cargo subsidies  
11 program, including the drafting of legislation; and  
12

13 WHEREAS, on November 5, 2021, the National Conference of  
14 State Legislatures passed a resolution that:  
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- 16 (1) Urged Congress to fund a broad subsidy for trans-  
17 Pacific, trans-Atlantic, and interisland waterborne  
18 cargo to improve the affordability of imported goods;  
19 and  
20

- 21 (2) Requested that the United States Department of  
22 Transportation Maritime Administration develop and  
23 implement a federal waterborne cargo subsidies program  
24 and that sources of any subsidies may be from existing  
25 or newly created federal programs; now, therefore,  
26

27 BE IT RESOLVED by the Senate of the Thirty-first  
28 Legislature of the State of Hawaii, Regular Session of 2022, the  
29 House of Representatives concurring, that the Department of  
30 Transportation is requested to convene a working group and  
31 various committees to create and recommend state and county  
32 subsidies for the transport of waterborne cargo consistent with  
33 the findings and recommendations of the Water Carriers Working  
34 Group's final report and recommendations on seeking broad  
35 federal funding; and  
36

37 BE IT FURTHER RESOLVED that the working group consist of  
38 the following members:  
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- 40 (1) The Senate President, or the President's designee;  
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- 1 (2) The Speaker of the House of Representatives, or the  
2 Speaker's designee;  
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4 (3) The mayor of each county, or the respective mayor's  
5 designee;  
6  
7 (4) One representative from the Department of Business,  
8 Economic Development, and Tourism;  
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10 (5) One representative from the Hawaii State Department of  
11 Transportation;  
12  
13 (6) One representative from the Department of Agriculture;  
14  
15 (7) One representative from the Hawaii Harbor Users Group;  
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17 (8) The Chairperson of the Senate Standing Committee on  
18 Transportation; and  
19  
20 (9) The Chairperson of the House of Representatives  
21 Standing Committee on Transportation; and  
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23 BE IT FURTHER RESOLVED that the Department of  
24 Transportation is requested to convene a committee to continue  
25 working and consulting with the United States Department of  
26 Transportation Maritime Administration in the seeking of federal  
27 waterborne cargo funding, including the drafting of legislative  
28 language; and  
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30 BE IT FURTHER RESOLVED that the Department of  
31 Transportation is requested to convene a committee to work and  
32 consult with the Hawaii congressional delegation to sponsor a  
33 bill to establish a federal waterborne cargo funding program  
34 within the United States Department of Transportation; and  
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36 BE IT FURTHER RESOLVED that the working group is requested  
37 to work and consult with the Senate and House of Representatives  
38 Standing Committees with the subject matter of Transportation,  
39 county departments of transportation, and county councils in the  
40 establishment of a local waterborne cargo subsidies program,  
41 including the drafting of legislation; and  
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1 BE IT FURTHER RESOLVED that the working group is requested  
2 to submit an interim report providing an update on the status of  
3 establishing these waterborne cargo subsidies programs to the  
4 Legislature no later than twenty days prior to the convening of  
5 the Regular Session of 2023; and

6  
7 BE IT FURTHER RESOLVED that the working group is requested  
8 to submit a final report of its findings and recommendations,  
9 including any proposed legislation, to the Legislature and  
10 Governor no later than twenty days prior to the convening of the  
11 Regular Session of 2024; and

12  
13 BE IT FURTHER RESOLVED that certified copies of this  
14 Concurrent Resolution be transmitted to Hawaii's congressional  
15 delegation; Chairperson of the Board of Agriculture; Director of  
16 Business, Economic Development, and Tourism; Director of  
17 Transportation; and mayors of each county.

