HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONVENE A WORKING GROUP TO ESTABLISH AND RECOMMEND FEDERAL AND LOCAL SUBSIDIES FOR THE TRANSPORT OF WATERBORNE CARGO AND TO WORK AND CONSULT WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION, HAWAII'S CONGRESSIONAL DELEGATION, AND THE LEGISLATURE.

WHEREAS, the Hawaii Water Carriers Working Group was established pursuant to Senate Resolution No. 125, S.D. 1, Regular Session of 2020, to recommend mid-term and long-term solutions to balance the need for continuous interisland water carrier service throughout the State with the need for water carriers to maintain financial sustainability; and

WHEREAS, on December 27, 2021, the working group issued its final report on its findings and recommendations; and

WHEREAS, the final report noted that Hawaii's communities are mostly dependent on the import of goods, with over eighty percent of goods consumed in Hawaii being imported, of which over ninety-eight percent is transported as waterborne cargo; and

WHEREAS, Hawaii must rely heavily on transport of cargo by water carrier, unlike other communities in the continental United States that have alternative means of transporting goods by truck and rail; and

WHEREAS, the cost of shipping goods to and within Hawaii is reflected in the cost of imported goods consumed in Hawaii and has been calculated to be as much as 7.5 percent of the cost of the goods; and

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WHEREAS, due to Hawaii's dependency on the import of goods, maritime support to ensure food security in the State is required; and

WHEREAS, while there are agricultural specific subsidies as well as subsidies for aircrafts transporting to remote destinations, subsidies do not currently exist for general cargo transport to and within Hawaii; and

WHEREAS, the final report recommended a broad subsidy for trans-Pacific and interisland cargo to reduce the cost of goods; and

WHEREAS, the final report further recommended that the source of such subsidies be from existing or newly created federal, state, and county government programs; and

 WHEREAS, the final report specifically recommended that the Legislature pass a resolution directing the Department of Transportation to convene a working group to establish and recommend federal, state, and county subsidies for the transport of waterborne cargo and to provide an update on the status of creating these programs; and

WHEREAS, the final report also recommended that the Department of Transportation lead a committee to continue working and consulting with the:

(1) United States Department of Transportation in the establishment of a federal waterborne cargo subsidies program, including the drafting of potential legislation;

(2) Hawaii's congressional delegation to sponsor a bill to establish a federal waterborne cargo subsidies program within the United States Department of Transportation; and

(3) Transportation committees of the Hawaii Senate and House of Representatives, county departments of transportation, and county councils in the establishment of local waterborne cargo subsidies

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1 2 3		program, including the drafting of legislation; now, therefore,
4 5 6 7 8 9	Thirty-th of 2025, Transport establish	T RESOLVED by the House of Representatives of the ird Legislature of the State of Hawaii, Regular Session the Senate concurring, that the Department of ation is requested to convene a working group to and recommend federal, state, and county subsidies for port of waterborne cargo; and
11 12	BE IT FURTHER RESOLVED that the working group is requesto consist of:	
13 14 15 16	(1)	The Director of Transportation, or the Director's designee, who is requested to serve as the Chairperson;
17 18 19 20	(2)	The Director of Business, Economic Development, and Tourism, or the Director's designee;
21 22	(3)	The Chairperson of the Board of Agriculture, or the Chairperson's designee;
23 24 25	(4)	One member of the Senate, to be appointed by the President of the Senate;
26 27 28 29	(5)	One member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;
30 31 32 33 34	(6)	Each chairperson of the standing committees with the purview of transportation of the Senate and House of Representatives;
35	(7)	The mayor of each county or the mayor's designee; and
36 37 38	(8)	One representative from each water carrier operating in the State, to be invited by the Chairperson; and
39 40 41		FURTHER RESOLVED that the Department of ation is requested to lead a committee to continue

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(1) United States Department of Transportation in the establishment of a federal waterborne cargo subsidies program, including the drafting of legislation;

(2) Hawaii's congressional delegation to sponsor a bill to establish a federal waterborne cargo subsidies program within the United States Department of Transportation; and

 (3) Transportation committees of the Hawaii Senate and House of Representatives, county departments of transportation, and county councils in the establishment of local waterborne cargo subsidies program, including the drafting of legislation; and

BE IT FURTHER RESOLVED that the Department of Transportation is requested to submit a report providing an update on the status of creating these programs to the Legislature no later than twenty days prior to the convening of the Regular Session of 2026; and

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

OFFERED BY MAR 0 7 2025