

JAN 21 2026

A BILL FOR AN ACT

RELATING TO WATER CARRIERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 271G, Hawaii Revised Statutes, is
2 amended by adding three new sections to be appropriately
3 designated and to read as follows:

4 "§271G- Certificates of public convenience and necessity
5 for water carriers. (a) No person which holds itself out to
6 the general public to engage in the transportation by water of
7 passengers or property or any class or classes thereof for
8 compensation, between points in the State, shall operate, unless
9 there is in force with respect to the water carrier a
10 certificate of public convenience and necessity issued by the
11 department authorizing the transportation; provided that this
12 section shall not apply to any water carrier to the extent that
13 the carrier is excluded from the definition of a public utility
14 under section 269-1(2)(E) and (F).

15 (b) Applications for certificates shall be made in writing
16 under oath to the department in the form as it requires.



1 (c) A certificate shall be issued to any qualified
2 applicant therefor, authorizing the whole or any part of the
3 operations covered by the application, if it is found that the
4 applicant is fit, willing, and able properly to perform the
5 service proposed and to conform to the provisions of this
6 chapter and the requirements, rules, and regulations of the
7 department, and that the proposed service, to the extent
8 authorized by the certificate, is or will be required by the
9 present or future public convenience and necessity; otherwise
10 the application shall be denied. Any certificate issued shall
11 specify the service to be rendered and the routes and ports that
12 the water carrier is to serve and there shall be attached to the
13 exercise of the privileges granted by the certificate, at the
14 time of issuance and from time to time thereafter, the
15 reasonable conditions and limitations as the public convenience
16 and necessity may require.

17 (d) The department may at any time suspend, change, or
18 revoke the certificate in the manner provided in section
19 271G-15.

20 §271G- Preferential water carrier service rates for
21 agricultural activities. The department may authorize



1 preferential water carrier service rates by tariff for
2 ratepayers that engage in agricultural activities. The
3 application process for obtaining preferential water carrier
4 service rates by tariff may be established by the department.

5 **§271G- Liability of initial and delivering water carrier**
6 **for loss; limitation of liability; notice and filing of claim.**

7 Any water carrier receiving property for transportation from a
8 point in Hawaii to a point in Hawaii shall issue a receipt or
9 bill of lading therefor, and shall be liable to the lawful
10 holder thereof for any loss, damage, or injury to the property
11 caused by it or by any water carrier to which the property may
12 be delivered or over whose line or lines the property may pass
13 when transported on a bill of lading, and no contract, receipt,
14 rule, regulation, or other limitation of any character
15 whatsoever shall exempt the water carrier from the liability
16 imposed; provided that if the loss, damage, or injury occurs
17 while the property is in the custody of the water carrier the
18 liability of the water carrier shall be determined by the bill
19 of lading of the water carrier and by and under the laws and
20 regulations applicable to transportation by water, and the
21 liability of the initial or delivering carrier shall be the same



1 as that of the water carrier; provided further that nothing in
2 this section shall deprive any holder of the receipt or bill of
3 lading of any remedy or right of action which the holder has
4 under existing law; provided further that it shall be unlawful
5 for any such receiving or delivering water carrier to provide by
6 rule, contract, regulation, or otherwise a shorter period for
7 the filing of claims than four months, and for the institution
8 of suits than two years, the period for institution of suits to
9 be computed from the day when notice in writing is given by the
10 water carrier to the claimant that the water carrier has
11 disallowed the claim or any part or parts thereof specified in
12 the notice."

13 SECTION 2. Section 269-1, Hawaii Revised Statutes, is
14 amended by amending the definition of "public utility" to read
15 as follows:

16 ""Public utility":

17 (1) Includes every person who may own, control, operate,
18 or manage as owner, lessee, trustee, receiver, or
19 otherwise, whether under a franchise, charter,
20 license, articles of association, or otherwise, any
21 plant or equipment, or any part thereof, directly or



1 indirectly for public use for the transportation of
2 passengers or freight; for the conveyance or
3 transmission of telecommunications messages; for the
4 furnishing of facilities for the transmission of
5 intelligence by electricity within the State or
6 between points within the State by land, water, or
7 air; for the production, conveyance, transmission,
8 delivery, or furnishing of light, power, heat, cold,
9 water, gas, or oil; for the storage or warehousing of
10 goods; or for the disposal of sewage; provided that
11 the term shall include:

12 (A) An owner or operator of a private sewer company
13 or sewer facility; and

14 (B) A telecommunications carrier or
15 telecommunications common carrier; and

16 (2) Shall not include:

17 (A) An owner or operator of an aerial transportation
18 enterprise;

19 (B) An owner or operator of a taxicab as defined in
20 this section;



1 (C) Common carriers that transport only freight on
2 the public highways, unless operating within
3 localities, along routes, or between points that
4 the public utilities commission finds to be
5 inadequately serviced without regulation under
6 this chapter;

7 (D) Persons engaged in the business of warehousing or
8 storage unless the commission finds that
9 regulation is necessary in the public interest;

10 (E) A carrier by water to the extent that the carrier
11 enters into private contracts for towage,
12 salvage, hauling, or carriage between points
13 within the State; provided that the towing,
14 salvage, hauling, or carriage is not pursuant to
15 either an established schedule or an undertaking
16 to perform carriage services on behalf of the
17 public generally;

18 (F) A carrier by water, substantially engaged in
19 interstate or foreign commerce, that transports
20 passengers on luxury cruises between points



1 within the State or on luxury round-trip cruises
2 returning to the point of departure;

3 (G) Any user, owner, or operator of the Hawaii
4 electric system as defined under section 269-141;

5 (H) A telecommunications provider only to the extent
6 determined by the public utilities commission
7 pursuant to section 269-16.9;

8 (I) Any person who controls, operates, or manages
9 plants or facilities developed pursuant to
10 chapter 167 for conveying, distributing, and
11 transmitting water for irrigation and other
12 purposes for public use and purpose;

13 (J) Any person who owns, controls, operates, or
14 manages plants or facilities for the reclamation
15 of wastewater; provided that:

16 (i) The services of the facility are provided
17 pursuant to a service contract between the
18 person and a state or county agency and at
19 least ten per cent of the wastewater
20 processed is used directly by the state or



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1 county agency that entered into the service
2 contract;

3 (ii) The primary function of the facility is the
4 processing of secondary treated wastewater
5 that has been produced by a municipal
6 wastewater treatment facility owned by a
7 state or county agency;

8 (iii) The facility does not make sales of water to
9 residential customers;

10 (iv) The facility may distribute and sell
11 recycled or reclaimed water to entities not
12 covered by a state or county service
13 contract; provided that, in the absence of
14 regulatory oversight and direct competition,
15 the distribution and sale of recycled or
16 reclaimed water shall be voluntary and its
17 pricing fair and reasonable. For purposes
18 of this subparagraph, "recycled water" and
19 "reclaimed water" means treated wastewater
20 that by design is intended or used for a
21 beneficial purpose; and



(v) The facility is not engaged, either directly or indirectly, in the processing of food wastes;

(K) Any person who owns, controls, operates, or manages any seawater air conditioning district cooling project; provided that at least fifty per cent of the energy required for the seawater air conditioning district cooling system is provided by a renewable energy resource, such as cold, deep seawater;

(L) Any person who owns, controls, operates, or manages plants or facilities primarily used to charge or discharge a vehicle battery that provides power for vehicle propulsion;

(M) Any person who:

(i) Owns, controls, operates, or manages a renewable energy system that is located on a customer's property; and

(ii) Provides, sells, or transmits the power generated from that renewable energy system to an electric utility or to the customer on



1 whose property the renewable energy system
2 is located; provided that, for purposes of
3 this subparagraph, a customer's property
4 shall include all contiguous property owned
5 or leased by the customer without regard to
6 interruptions in contiguity caused by
7 easements, public thoroughfares,
8 transportation rights-of-way, and utility
9 rights-of-way; and

10 (N) Any person who owns, controls, operates, or
11 manages a renewable energy system that is located
12 on the person's property and provides, sells, or
13 transmits the power generated from that renewable
14 energy system to an electric utility or to
15 lessees or tenants on the person's property where
16 the renewable energy system is located; provided
17 that:

18 (i) An interconnection, as defined in section
19 269-141, is maintained with an electric
20 public utility to preserve the lessees' or



tenants' ability to be served by an electric utility;

(ii) The person does not use an electric public utility's transmission or distribution lines to provide, sell, or transmit electricity to lessees or tenants;

(iii) At the time that the lease agreement is signed, the rate charged to the lessee or tenant for the power generated by the renewable energy system shall be no greater than the effective rate charged per kilowatt hour from the applicable electric utility schedule filed with the public utilities commission;

(iv) The rate schedule or formula shall be established for the duration of the lease, and the lease agreement entered into by the lessee or tenant shall reflect the rate schedule or formula;

(v) The lease agreement shall not abrogate any terms or conditions of applicable tariffs



1 for termination of services for nonpayment
2 of electric utility services or rules
3 regarding health, safety, and welfare; and

4 (vi) The lease agreement shall disclose: (1) the
5 rate schedule or formula for the duration of
6 the lease agreement; (2) that, at the time
7 that the lease agreement is signed, the rate
8 charged to the lessee or tenant for the
9 power generated by the renewable energy
10 system shall be no greater than the
11 effective rate charged per kilowatt hour
12 from the applicable electric utility
13 schedule filed with the public utilities
14 commission; (3) that the lease agreement
15 shall not abrogate any terms or conditions
16 of applicable tariffs for termination of
17 services for nonpayment of electric utility
18 services or rules regarding health, safety,
19 and welfare; and (4) whether the lease is
20 contingent upon the purchase of electricity
21 from the renewable energy system; provided



1 further that any disputes concerning the
2 requirements of this provision shall be
3 resolved pursuant to the provisions of the
4 lease agreement or chapter 521, if
5 applicable.

6 If the application of this chapter is ordered by the
7 commission in any case provided in paragraph (2) (C), (D), (H),
8 and (I), the business of any public utility that presents
9 evidence of bona fide operation on the date of the commencement
10 of the proceedings resulting in the order shall be presumed to
11 be necessary to the public convenience and necessity, but any
12 certificate issued under this proviso shall nevertheless be
13 subject to terms and conditions as the public utilities
14 commission may prescribe, as provided in ~~[sections]~~ section
15 269-16.9 ~~[and 269-20]~~."

16 SECTION 3. Section 269-19.5, Hawaii Revised Statutes, is
17 amended by amending subsection (a) to read as follows:

18 "(a) For purposes of this section "affiliated interests"
19 with a public utility includes the following:

- 20 (1) Every person owning or holding, directly or
21 indirectly, ten per cent or more of the voting



1 securities of a public utility, and every person
2 having ownership of ten per cent or more of voting
3 securities of a person owning ten per cent or more of
4 the voting securities of a public utility;

5 (2) Every corporation ten per cent or more of whose voting
6 securities is owned by any person owning ten per cent
7 or more of the voting securities of a public utility;

8 (3) Every person who is an officer or director of a public
9 utility;

10 (4) Every corporation operating a public utility, or
11 providing engineering, accounting, legal, or similar
12 service to public utilities [~~or common carriers by~~
13 ~~water, which~~] that has three or more officers or three
14 or more directors in common with a public utility, and
15 every other corporation which has directors in common
16 with a public utility where the number of common
17 directors is more than one-third of the total number
18 of the utility's directors."

19 SECTION 4. Section 269-23, Hawaii Revised Statutes, is
20 amended to read as follows:



1 **"§269-23 Liability of initial and delivering common**
2 **carrier for loss; limitation of liability; notice and filing of**
3 **claim.** Any common carrier receiving property for transportation
4 from a point in Hawaii to a point in Hawaii shall issue a
5 receipt or bill of lading therefor, and shall be liable to the
6 lawful holder thereof for any loss, damage, or injury to the
7 property caused by it or by any common carrier or transportation
8 company to which the property may be delivered or over whose
9 line or lines the property may pass when transported on a
10 through bill of lading, and no contract, receipt, rule,
11 regulation, or other limitation of any character whatsoever
12 shall exempt the common carrier from the liability imposed; and
13 any [~~such~~] common carrier so receiving property for
14 transportation or any common carrier or transportation company
15 delivering the property so received and transported shall be
16 liable to the lawful holder of the receipt or bill of lading or
17 to any party entitled to recover thereon, whether the receipt or
18 bill of lading has been issued or not, for the full actual loss,
19 damage, or injury to [~~such~~] the property caused by it or by any
20 common carrier or transportation company to which the property
21 may be delivered or over whose line or lines the property may



1 pass when transported on a through bill of lading,
2 notwithstanding any limitation of liability or limitation of the
3 amount of recovery or representation or agreement as to value in
4 any receipt or bill of lading, or in any contract, rule,
5 regulation, or in any tariff filed with the public utilities
6 commission; and any [~~such~~] limitation, without respect to the
7 manner or form in which it is sought to be made is declared to
8 be unlawful and void[~~;~~ ~~provided that if the loss, damage, or~~
9 ~~injury occurs while the property is in the custody of a carrier~~
10 ~~by water the liability of the carrier shall be determined by the~~
11 ~~bill of lading of the carrier by water and by and under the laws~~
12 ~~and regulations applicable to transportation by water, and the~~
13 ~~liability of the initial or delivering carrier shall be the same~~
14 ~~as that of the carrier by water]; provided that the provisions~~
15 [~~hereof~~] respecting liability for full actual loss, damage, or
16 injury, notwithstanding any limitation of liability or recovery
17 or representation or agreement or release as to value, and
18 declaring any [~~such~~] limitation to be unlawful and void, shall
19 not apply, first, to baggage carried on passenger trains [~~or~~
20 ~~boats~~], or trains [~~or boats~~] carrying passengers; second, to
21 property, except ordinary livestock, received for transportation



1 concerning which the carrier shall have been or shall be
2 expressly authorized or required by order of the commission to
3 establish and maintain rates dependent upon the value declared
4 in writing by the shipper or agreed upon in writing as the
5 released value of the property, in which case the declaration or
6 agreement shall have no other effect than to limit liability and
7 recovery to an amount not exceeding the value so declared or
8 released, and any tariff schedule which may be filed with the
9 commission pursuant to the order shall contain specific
10 reference thereto and may establish rates varying with the value
11 ~~[se]~~ declared and agreed upon; and the commission may make
12 ~~[such]~~ the order in cases where rates dependent upon and varying
13 with declared or agreed values would, in its opinion, be just
14 and reasonable under the circumstances and conditions
15 surrounding the transportation; provided further that nothing in
16 this section shall deprive any holder of the receipt or bill of
17 lading of any remedy or right of action which the holder has
18 under the existing law; provided further that it shall be
19 unlawful for any ~~[such]~~ receiving or delivering common carrier
20 to provide by rule, contract, regulation, or otherwise a shorter
21 period for the filing of claims than four months, and for the



1 institution of suits than two years, [~~such~~] the period for
2 institution of suits to be computed from the day when notice in
3 writing is given by the carrier to the claimant that the carrier
4 has disallowed the claim or any part or parts thereof specified
5 in the notice; [~~and~~] provided further that the liability imposed
6 by this section shall also apply in the case of property
7 reconsigned or diverted in accordance with the applicable
8 tariffs filed as provided by the commission."

9 SECTION 5. Section 269-33, Hawaii Revised Statutes, is
10 amended by amending subsections (a) and (b) to read as follows:

11 "(a) There is established in the state treasury a public
12 utilities commission special fund to be administered by the
13 public utilities commission. The proceeds of the fund shall be
14 used by the public utilities commission and the division of
15 consumer advocacy of the department of commerce and consumer
16 affairs for all expenses incurred in the administration of
17 chapters 269, 271, [~~271G~~] 269E, and 486J, and for costs
18 incurred by the department of commerce and consumer affairs to
19 fulfill the department's limited oversight and administrative
20 support functions; provided that the expenditures of the public
21 utilities commission shall be in accordance with legislative



1 appropriations. On a quarterly basis, an amount not exceeding
2 thirty per cent of the proceeds remaining in the fund after the
3 deduction for central service expenses, pursuant to section
4 36-27, shall be allocated by the public utilities commission to
5 the division of consumer advocacy and deposited in the
6 compliance resolution fund established pursuant to section
7 26-9(o); provided that all moneys allocated by the public
8 utilities commission from the fund to the division of consumer
9 advocacy shall be in accordance with legislative appropriations.

10 (b) All moneys appropriated to, received, and collected by
11 the public utilities commission that are not otherwise pledged,
12 obligated, or required by law to be placed in any other special
13 fund or expended for any other purpose shall be deposited into
14 the public utilities commission special fund including, but not
15 limited to, all moneys received and collected by the public
16 utilities commission pursuant to sections 92-21, 243-3.5,
17 269-28, 269-30, 271-27, 271-36, [~~271G-19,~~] 269E-6, 269E-14, and
18 607-5."

19 SECTION 6. Section 271G-3, Hawaii Revised Statutes, is
20 amended to read as follows:



1 "~~S271G-3 Administration[; governing provisions of other~~
2 ~~acts]~~. This chapter shall be administered by the [public
3 ~~utilities commission of the State]~~ department and the provisions
4 of this chapter [~~and of chapter 269, not inconsistent with this~~
5 ~~chapter,~~] shall govern its administration[; ~~provided that~~
6 ~~sections 269-16 to 269-28 shall not apply in any respect to the~~
7 ~~regulation of water carriers]~~."

8 SECTION 7. Section 271G-5, Hawaii Revised Statutes, is
9 amended as follows:

10 1. By adding a new definition to be appropriately
11 inserted and to read:

12 "Department" means the department of transportation."

13 2. By amending the definitions of "document" and
14 "enforcement officer" to read:

15 "Document" includes any application, complaint, pleading,
16 brief, answer, motion, memorandum, declaration, exhibit,
17 certificate of service, and other papers filed by or with the
18 [~~commission.~~] department.

19 "Enforcement officer" means any person employed and
20 authorized by the [~~commission]~~ department to investigate any
21 matter on behalf of the [~~commission]~~ department."



1 3. By repealing the definition of "commission".

2 ~~[""Commission" means the public utilities commission."]~~

3 SECTION 8. Section 271G-7, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§271G-7 General duties and powers of the [commission.]**
6 **department.** The general duties and powers of the [public
7 ~~utilities commission]~~ department shall be:

8 (1) To regulate water carriers, and to that end the
9 ~~[commission]~~ department shall have and utilize ~~[the~~
10 ~~investigative powers set forth in section 269-7 as~~
11 ~~well as]~~ all of the duties and powers specifically
12 enumerated in this chapter~~[, and water carriers shall~~
13 ~~be subject to the duties set forth in sections 269-8~~
14 ~~and 269-9 as well as all of the duties specifically~~
15 ~~enumerated herein]~~.

16 (2) To establish ~~[such]~~ just and reasonable
17 classifications of water carriers as the special
18 nature of the services performed by the carriers shall
19 require, and ~~[such]~~ just and reasonable rules,
20 regulations, and requirements, consistent with this
21 chapter, to be observed by the carriers so classified



1 or grouped, as the [~~commission~~] department deems
2 necessary or desirable in the public interest. [~~Such~~]
3 The classifications, rules, regulations, and
4 requirements shall be adopted and promulgated pursuant
5 to the provisions of chapter 91 and shall have the
6 force and effect of law.

7 (3) Upon complaint in writing to the [~~commission~~]
8 department by any person or body politic, or upon its
9 own initiative without complaint, the [~~commission~~]
10 department may investigate whether any water carrier
11 has failed to comply with any provision of this
12 chapter, or with any rule or order adopted or issued
13 [~~hereunder.~~] under this section.

14 (4) The [~~commission~~] department may investigate any person
15 acting in the capacity of or engaging in the business
16 of a water carrier within the State, without having a
17 certificate of public convenience and necessity or
18 other authority previously obtained under and in
19 compliance with this chapter or the rules promulgated
20 under this chapter."



1 SECTION 9. Section 286-271, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) This section shall not apply to:

4 (1) Any motor vehicle rental company as defined in section
5 431:9A-141 that periodically ships in quantities of
6 ten vehicles or more;

7 (2) Licensed dealers who periodically ship in quantities
8 of ten vehicles or more, or whose primary business is
9 the auction of insurance salvage vehicles;

10 (3) Except for a lessee of a rental motor vehicle under
11 paragraph (4), drivers of vehicles transported by any
12 water carrier authorized by the [~~public utilities~~
13 ~~commission~~] department of transportation to transport
14 vehicles interisland; provided that the driver
15 presents identification, a current certificate of
16 registration for the vehicle, and proof of motor
17 vehicle insurance. The interisland water carrier
18 shall keep a record of transporting the vehicle by
19 recording the vehicle identification number and
20 retaining the information for three years after the
21 date of travel; or



(4) A lessee of a rental motor vehicle; provided that:

(A) The rental motor vehicle is transported by any water carrier authorized by the ~~[public utilities commission]~~ department of transportation to transport vehicles interisland;

(B) The water carrier has a written agreement with the owner of the rental motor vehicle; and

(C) The water carrier records and retains the information required under subsections (d) and (f).

For purposes of this subsection, "lessee" and "rental motor vehicle" have the same meanings as ~~[those terms are]~~ defined in section 437D-3."

SECTION 10. Section 269-20, Hawaii Revised Statutes, is repealed.

~~["§269-20 Certificates of public convenience and necessity for water carriers. (a) No person which holds itself out to the general public to engage in the transportation by water of passengers or property or any class or classes thereof for compensation, between points in the State of Hawaii, shall operate unless there is in force with respect to such carrier a~~



~~1 certificate of public convenience and necessity issued by the
2 commission authorizing such transportation; provided that this
3 section shall not apply to any carrier by water to the extent
4 that the carrier is excluded from the definition of a public
5 utility under section [269-1(2)(E) and (F)].~~

~~6 (b) Applications for certificates shall be made in writing
7 under oath to the commission in such form as it requires.~~

~~8 (c) A certificate shall be issued to any qualified
9 applicant therefor, authorizing the whole or any part of the
10 operations covered by the application, if it is found that the
11 applicant is fit, willing, and able properly to perform the
12 service proposed and to conform to the provisions of this
13 chapter and the requirements, rules and regulations of the
14 commission thereunder, and that the proposed service, to the
15 extent authorized by the certificate, is or will be required by
16 the present or future public convenience and necessity;
17 otherwise such application shall be denied. Any certificate
18 issued shall specify the service to be rendered and the routes
19 and ports which the water carrier is to serve and there shall be
20 attached to the exercise of the privileges granted by the
21 certificate, at the time of issuance and from time to time~~



1 thereafter, such reasonable conditions and limitations as the
2 public convenience and necessity may require.

3 ~~(d) The commission may at any time suspend, change or~~
4 ~~revoke such certificate in the manner provided in section 271-~~
5 ~~19."]~~

6 SECTION 11. Section 269-26.6, Hawaii Revised Statutes, is
7 repealed.

8 ~~["§269-26.6] Preferential water carrier service rates for~~
9 ~~agricultural activities. The public utilities commission may~~
10 ~~authorize preferential water carrier service rates by tariff for~~
11 ~~ratepayers that engage in agricultural activities. The~~
12 ~~application process for obtaining preferential water carrier~~
13 ~~service rates by tariff may be established by the public~~
14 ~~utilities commission."]~~

15 SECTION 12. Sections 271G-7.5, 271G-8, 271G-9, 271G-10,
16 271G-12, 271G-13, 271G-14, 271G-15, 271G-16, 271G-17, 271G-17.5,
17 271G-18, 271G-19, 271G-20, 271G-21, 271G-22, 271G-23, 271G-23.5,
18 271G-24, and 271G-25, Hawaii Revised Statutes, are amended by
19 substituting the term "department of transportation",
20 "department", or similar term, wherever the term "public



1 utilities commission", "commission", or similar term, appears,
2 as the context requires.

3 SECTION 13. All rights, powers, functions, and duties of
4 the public utilities commission are transferred to the
5 department of transportation as it relates to the Hawaii water
6 carrier act.

7 All officers and employees whose functions are transferred
8 by this Act shall be transferred with their functions and shall
9 continue to perform their regular duties upon their transfer,
10 subject to the state personnel laws and this Act.

11 No officer or employee of the State having tenure shall
12 suffer any loss of salary, seniority, prior service credit,
13 vacation, sick leave, or other employee benefit or privilege as
14 a consequence of this Act, and such officer or employee may be
15 transferred or appointed to a civil service position without the
16 necessity of examination; provided that the officer or employee
17 possesses the minimum qualifications for the position to which
18 transferred or appointed; and provided that subsequent changes
19 in status may be made pursuant to applicable civil service and
20 compensation laws.



1 An officer or employee of the State who does not have
2 tenure and who may be transferred or appointed to a civil
3 service position as a consequence of this Act shall become a
4 civil service employee without the loss of salary, seniority,
5 prior service credit, vacation, sick leave, or other employee
6 benefits or privileges and without the necessity of examination;
7 provided that such officer or employee possesses the minimum
8 qualifications for the position to which transferred or
9 appointed.

10 If an office or position held by an officer or employee
11 having tenure is abolished, the officer or employee shall not
12 thereby be separated from public employment, but shall remain in
13 the employment of the State with the same pay and classification
14 and shall be transferred to some other office or position for
15 which the officer or employee is eligible under the personnel
16 laws of the State as determined by the head of the department or
17 the governor.

18 SECTION 14. All appropriations, records, equipment,
19 machines, files, supplies, contracts, books, papers, documents,
20 maps, and other personal property heretofore made, used,
21 acquired, or held by the public utilities commission relating to



1 the functions transferred to the department of transportation
2 shall be transferred with the functions to which they relate.

3 SECTION 15. All rules, policies, procedures, guidelines,
4 and other material adopted or developed by the public utilities
5 commission to implement provisions of the Hawaii Revised
6 Statutes that are made reenacted or applicable to the department
7 of transportation by this Act shall remain in full force and
8 effect until amended or repealed by the department of
9 transportation pursuant to chapter 91, Hawaii Revised Statutes.

10 In the interim, every reference to the public utilities
11 commission in those rules, policies, procedures, guidelines, and
12 other material is amended to refer to the department of
13 transportation, as appropriate.

14 SECTION 16. All deeds, leases, contracts, loans,
15 agreements, permits, or other documents executed or entered into
16 by or on behalf of the public utilities commission, pursuant to
17 the provisions of the Hawaii Revised Statutes, that are
18 reenacted or made applicable to the office of real estate
19 operations by this Act shall remain in full force and effect.

20 Upon effective date of this Act, every reference to the public
21 utilities commission or the chairperson of the public utilities



1 commission therein shall be construed as a reference of the
2 department of transportation or the director of transportation,
3 as appropriate.

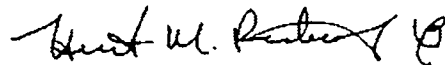
4 SECTION 17. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$200,000 or so much
6 thereof as may be necessary for fiscal year 2026-2027 for the
7 transfer of functions related to the Hawaii water carrier act to
8 the department of transportation.

9 The sum appropriated shall be expended by the department of
10 transportation for the purposes of this Act.

11 SECTION 18. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 19. This Act shall take effect on July 1, 2026.

14
INTRODUCED BY:





S.B. NO. 2171

Report Title:

PUC; DOT; Water Carrier Act; Transfer; Appropriation

Description:

Transfers the jurisdiction of the Hawaii Water Carrier Act from the Public Utilities Commission to the Department of Transportation. Makes conforming amendments. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

