



**HAWAI'I COMMUNITY
DEVELOPMENT AUTHORITY**

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JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

STERLING HIGA
CHAIRPERSON

CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO
Executive Director
Hawai'i Community Development Authority
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Wednesday, April 1, 2026
2:00 p.m.
State Capitol, Conference Room 329 & Videoconference

In consideration of
S.B. 2400, S.D.1, H.D.1
RELATING TO TRANSPORTATION.

Chairperson Matayoshi, Vice Chairperson Grandinetti and members of the Committee. The Hawai'i Community Development Authority (HCDA) **supports S.B. 2400, S.D.1, H.D.1**, which exempts persons operating wing-in-ground craft, also known as seaglidors, from the application of the Hawai'i Water Carriers Act.

Wing-in-ground craft represent an innovative mode of transportation that can provide efficient, low-emission connections between coastal communities.

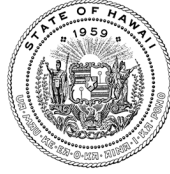
The HCDA supports such technology for resiliency and alternative transportation possibilities for the state, especially if a terminal and port is located at Kewalo Basin Harbor, in Kaka'ako, near urban Honolulu, transit-oriented development and future Skyline stations.

The HCDA is a member of the Hawai'i Seaglider Initiative.

Thank you for the opportunity to provide testimony in support.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
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STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
465 S. KING STREET, #103
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Testimony of the Public Utilities Commission

To the
House Committee on
Consumer Protection & Commerce

Wednesday, April 1, 2026
2:00 p.m.

Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

Measure: S.B. No. 2400, S.D. 1, H.D. 1
Title: RELATING TO TRANSPORTATION.

Position:

The Public Utilities Commission (“Commission”) offers the following comments for consideration.

Comments:

The Commission supports the intent of this measure to exempt wing-in-ground craft from the Commission’s jurisdiction.

The Commission notes that wing-in-ground craft will likely be regulated by the U.S. Coast Guard for the purpose of safety. Additionally, the Commission believes that the U.S. Federal Aviation Administration (“FAA”) may have regulatory authority over certain wing-in-ground operations. The current draft of this measure has clarifying language amended by the House Committee on Transportation that narrows the scope of wing-in-ground craft, limiting the exemption to only those that transport passengers.

The Commission observes that the transport of passengers should also cover “personal effects” that would allow a limited amount of cargo directly belonging to passengers.

Thank you for the opportunity to testify on this measure.



Kamehameha Schools®

House Committee on Consumer Protection & Commerce

Time: 2:00 p.m.

Date: April 01, 2026

Where: Conference Room 329

TESTIMONY

Kā'eo Duarte

Vice President, 'Āina Pauahi

RE: SB2400, SD1, HD1 Relating to Transportation

Aloha e ka Luna Ho'omalua Matayoshi, ka Hope Luna Ho'omalua Grandinetti a me nā Lālā o ke Kōmike.

Kamehameha Schools appreciates this opportunity to **support SB2400, SD1, HD1**.

Kamehameha Schools appreciates innovative technologies that mālama our keiki, kūpuna, and lāhui. Seaglidors can provide an affordable interisland transportation option that strengthens connectivity across the pae 'āina. This innovation can help address transportation barriers that affect our island communities by improving access to healthcare, other essential services, 'ohana, and employment opportunities.

Founded in 1887 through the Will of Ke Ali'i Bernice Pauahi Pākī Bishop, Ke Kula 'o Kamehameha is a private, educational, charitable trust committed to empowering Native Hawaiians in perpetuity by improving the well-being of our people through education. We envision our haumāna, strong in E Ola!, grounded in Hawaiian and Christian values, succeeding in post-secondary education and contributing through 'ōiwi leadership to a thriving and self-determined lāhui.

TESTIMONY IN OPPOSITION TO S.B. 2400, S.D. 1, H.D. 1

RELATING TO TRANSPORTATION

Exempting Wing-in-Ground Craft from the Hawaii Water Carrier Act

To: House Committee on Consumer Protection & Commerce Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair

RE: S.B. 2400, S.D. 1, H.D. 1 (companion: H.B. 2378, deferred) From: Tony Nodine,
Coordinator Organization: North Kona Noise ACTION (NKNA) Email:
NorthKonaNoiseAction@gamblesbest.com Location: Kailua-Kona, HI 96740 Position:
OPPOSE

Hearing: Wednesday, April 1, 2026, 2:00 PM

Aloha Chair Matayoshi, Vice Chair Nakada Grandinetti, and Members of the Committee,

North Kona Noise ACTION (NKNA) respectfully opposes S.B. 2400, S.D. 1, H.D. 1.

We direct this testimony to the specific jurisdiction of the Committee on Consumer Protection & Commerce, because this bill is fundamentally a consumer protection issue. We note that the House's own companion measure, H.B. 2378, was deferred by the Transportation Committee on February 19, 2026. The House was not compelled to advance its own version of this bill. We respectfully ask this committee to apply similar scrutiny to the Senate version now before it.

I. THE PRODUCT DOES NOT EXIST

This bill clears a regulatory pathway for a vehicle that has no commercial safety record whatsoever.

- REGENT Craft's Viceroy seaglider has never carried a paying passenger.
- On October 18, 2025, the full-scale prototype sustained structural damage during hydrofoil testing in Narragansett Bay, Rhode Island, causing the wing to contact the water. Two captains were aboard. Testing was suspended while engineers evaluated the design.
- REGENT's manufacturing facility in Rhode Island is not yet operational. It is expected to open this summer, with first customer deliveries projected for 2027.
- The U.S. Coast Guard has not certified the vehicle.

- The FAA has not certified the vehicle. The FAA continues to refer to seaglidors as "aircraft." If the FAA asserts jurisdiction — requiring full type certification — the entire economic model collapses.
- No seaglider has completed sustained commercial-speed flight with passengers aboard.

The Legislature is pre-clearing regulatory exemptions for a vehicle that has not completed sustained flight. Hawai'i learned this lesson with the Superferry: the rushed removal of regulatory process for an interisland transportation venture — without adequate environmental review or public input — resulted in litigation, community conflict, and the failure of the service. This bill repeats that pattern.

II. WHO IS BEHIND THIS BILL

REGENT is an acronym — Regional Electric Ground Effect Nautical Transport. This is not a shipbuilder with generations of maritime safety culture or an airline with decades of operational experience. It is a five-year-old venture-capital-funded technology startup, founded in 2020, that has raised more than \$100 million from a constellation of mainland venture capital firms, defense contractors, and foreign sovereign wealth funds. It claims more than \$10 billion in pre-orders based largely on letters of intent and memoranda of understanding, not executed delivery contracts.

The Hawai'i Department of Transportation signed a memorandum of understanding with the Hawai'i Seaglider Initiative (HSI), the consortium created specifically to advance REGENT's product into the Hawai'i market. On January 27, 2026, HDOT partnered with Surf Air Mobility (NYSE: SRFM) and BETA Technologies to apply for the FAA's eVTOL Integration Pilot Program (eIPP). The eIPP is a federal public-private program established under President Trump's June 2025 executive order titled "Unleashing American Drone Dominance," designed to generate safety data and inform regulations for next-generation aircraft operations.

REGENT Craft's own investors include Peter Thiel's Founders Fund — one of the most prominent financial backers of the current administration — as well as the UAE's Strategic Development Fund, part of Abu Dhabi's Edge Group defense conglomerate, and Lockheed Martin Ventures. The company also holds a \$15 million U.S. Marine Corps contract.

On March 9, 2026, the U.S. Department of Transportation announced the eight selected eIPP projects. Hawai'i was not among the eight projects selected for inclusion in the program. This means any advanced air mobility operations in Hawai'i will proceed without the structured federal oversight, data collection, and safety evaluation framework that eIPP was designed to provide.

The only state-level mechanism that could partially fill that gap — PUC oversight under the Water Carrier Act — is precisely what this bill eliminates.

This committee should also be aware that several entities that testified in support of this bill before the Transportation Committee have direct financial or organizational ties to REGENT Craft and HSI. Hawaii Think Tank, which testified in support, is the organization of David Uchiyama, who serves as co-administrator of HSI. REGENT Craft itself testified in support of its own regulatory exemption. This is not independent community support for the bill. It is the proponent testifying in favor of its own product.

III. THIS BILL ELIMINATES CONSUMER PROTECTION AND REPLACES IT WITH NOTHING

The Public Utilities Commission's oversight of water carriers is not bureaucratic redundancy. It is the only state-level process that provides Hawai'i residents with:

- The right to file formal complaints against a carrier;
- The right to challenge unreasonable rates or rate increases;
- Public hearings before new service is authorized or expanded;
- State-level accountability for service reliability and safety;
- A formal mechanism for communities to raise concerns about noise, environmental harm, or operational impacts.

S.B. 2400 eliminates the entire framework and replaces it with nothing. The bill's rationale — that WIG craft are "subject to federal safety oversight" — confuses safety certification with comprehensive regulation. The U.S. Coast Guard certifies that a vessel is structurally sound. It does not regulate fares, routes, service reliability, environmental impacts, community noise, energy demand, or biosecurity. Coastal communities that would host these operations — including communities in North Kona, Kawaihae, and elsewhere on Hawai'i Island — deserve a formal seat at the table. This bill denies them that.

This committee should ask: what recourse does a resident of Moloka'i have when seaglider service is unreliable or unaffordable, and the PUC has been removed from the equation?

IV. THE NAVAHINE SETTLEMENT IS NOT A JUSTIFICATION FOR REMOVING CONSUMER PROTECTIONS

The bill's findings cite the Navahine climate settlement agreement between HDOT and youth plaintiffs as a justification for exempting seagliders from state regulation. This is a significant rhetorical stretch. The Navahine settlement addresses the State's obligation to reduce transportation-sector emissions. It does not call for the removal of consumer protections. It does not call for the exemption of any transportation technology from PUC oversight. Using a climate settlement to justify stripping residents of their right to file complaints, challenge rates, and demand accountability from a carrier is not what that agreement contemplated.

Hawai'i can advance its decarbonization goals and maintain consumer protections at the same time. These are not mutually exclusive objectives.

V. HAWAIIAN WATERS ARE A WHALE SANCTUARY

Seaglidors would operate at 30 to 60 feet above the ocean surface at speeds up to 180 mph through the Hawaiian Islands Humpback Whale National Marine Sanctuary. These waters are the primary breeding and calving ground for North Pacific humpback whales. Mothers with newborn calves move slowly at or near the surface — precisely within the altitude range of seaglider operations. Humpback whales travel in pods and family groups. They are concentrated in the interisland channels, not randomly distributed across open ocean.

At 180 mph, a seaglider covers 264 feet per second. Even a rare collision would be catastrophic — for the animal, and for the 12 passengers and 2 crew aboard. The Viceroy is a 15,000-pound carbon fiber composite structure — an ultralight design optimized for efficiency, not impact absorption. There is no evasive maneuver geometry that works at that speed and altitude. You cannot climb out of ground effect. You cannot dive 30 feet above the water. You cannot bank hard with a 65-foot wingspan yards above the ocean.

This bill contains no requirement for coordination with NOAA, the Hawaiian Islands Humpback Whale National Marine Sanctuary, or any state or federal wildlife agency. No marine mammal avoidance system has been certified for this vehicle. REGENT has stated it is "developing" an infrared detection system. It has not been tested, validated, or approved by any regulatory body. Federal vessel-strike mitigation frameworks are built around speed limits measured in single-digit knots. A 160-knot vehicle operating in these same waters exists in a regulatory framework that literally never contemplated something like this.

The hydrofoil phases also generate underwater acoustic disturbance during takeoff and landing in harbor areas. No study of these acoustic impacts has been conducted for Hawaiian waters.

VI. THIS BILL OPENS AN UNREGULATED PATHWAY FOR INVASIVE SPECIES

Seaglidors would operate from harbors, completely bypassing the Hawai'i Department of Agriculture's interisland inspection framework that currently exists at airports. This creates a new, high-frequency, uninspected interisland transportation pathway.

This is not a theoretical concern. Hawai'i Island is currently managing an active Coconut Rhinoceros Beetle crisis. CRB was first confirmed near Kona International Airport and within the Keāhole Agricultural Park in March 2025. A large breeding site of approximately 90 grubs was discovered in Makalei Estates — in our community. CRB larvae have been found in commercially sold bags of soil and compost shipped from O'ahu. The Hawai'i Department of Agriculture has interim rules restricting the movement of CRB host materials, and the County of Hawai'i has maintained a voluntary compliance order in West Hawai'i through April

2026.

Coffee leaf rust threatens our agricultural economy. These are the pests we know about. It is the next invasive pest or pathogen — the one we have not yet encountered — that concerns us most. Every new uninspected interisland transportation pathway increases that risk.

S.B. 2400 contains no mention of the Department of Agriculture, no requirement for interisland biosecurity protocols, and no mechanism to ensure that harbor-based seaglider operations do not become a vector for invasive species movement between islands. Passengers boarding a seaglider at a Honolulu harbor would not pass through HDOA inspection. Cargo carried on seaglider routes would not be subject to existing interisland quarantine enforcement. This gap is unacceptable.

VII. THE DECARBONIZATION CLAIM DOES NOT WITHSTAND SCRUTINY

Seagliders are marketed as “zero-emission,” but Hawai‘i’s electrical grid still relies substantially on fossil fuels. Hawaiian Electric achieved 37% renewable energy in 2025 — meaning 63% of the electricity used to charge these vehicles would come from oil-fired generation. Each island has its own independent grid with no inter-island connections. Calling a battery-electric craft “zero-emission” while charging it from a grid that burns oil is accounting fraud, not decarbonization.

Harbor charging infrastructure will require significant grid upgrades. The Hawai‘i Seaglider Initiative proposes two ports per island, each requiring substantial electrical capacity for rapid turnaround. Under the current regulatory structure, those costs would be socialized across all Hawai‘i ratepayers — residents already paying the highest residential electricity rates in the nation at approximately 43 cents per kilowatt-hour on O‘ahu, with comparable rates across the neighbor islands. The PUC would have been the appropriate body to evaluate whether this new demand aligns with or undermines Hawai‘i’s energy transition goals. This bill ensures that evaluation never happens.

Additionally, lithium battery safety in marine saltwater environments is untested at this scale. Electric vehicles have experienced catastrophic battery fires after saltwater exposure. A disabled seaglider in the ‘Alenuihāhā Channel — sinking with lithium batteries into the marine environment — raises safety and environmental contamination questions that have not been evaluated for Hawaiian waters.

VIII. THE PRECEDENT IS DANGEROUS

If this bill passes, it establishes a template: any novel transportation technology can argue that federal safety oversight is sufficient and that state regulation is merely a “barrier to entry.” This precedent could be cited by eVTOL operators, autonomous vessel companies, or other emerging technologies seeking to bypass state environmental and consumer protections. The Legislature should be cautious about dismantling state oversight for an

industry whose product does not yet work, whose federal regulatory status remains actively contested between two agencies, and whose investors stand to benefit while Hawai'i's communities bear the risk.

This pattern — mainland entities extracting value from Hawai'i while externalizing costs to residents and ecosystems — is familiar enough that it should give every member of this Committee pause. If seaglider technology truly delivers on its promises, it will succeed with appropriate state oversight in place. If it cannot operate under the same regulatory framework that applies to every other commercial water carrier in Hawai'i, that itself is informative.

IX. REQUESTED ACTION

We respectfully urge the Committee to hold S.B. 2400, S.D. 1, H.D. 1.

If the Committee is inclined to advance a version of this measure, we request at minimum:

1. Condition the PUC exemption on the prior completion of an Environmental Impact Statement for seaglider operations in Hawaiian waters, including assessment of marine mammal strike risk, underwater acoustic impacts, and harbor infrastructure effects.
2. Require mandatory coordination with the Hawai'i Department of Agriculture to establish biosecurity inspection protocols for seaglider passengers and cargo before any interisland operations commence, ensuring parity with existing airport-based interisland quarantine enforcement.
3. Require mandatory coordination with NOAA and the Hawaiian Islands Humpback Whale National Marine Sanctuary on marine mammal protections, including a requirement that any marine mammal avoidance system be tested, validated, and approved by the appropriate federal agency before operations commence in the Sanctuary.
4. Establish a consumer complaint and accountability mechanism to replace the PUC oversight this bill removes, including a state-level reporting requirement for seaglider operators covering noise, marine life incidents, safety events, energy consumption, and biosecurity compliance.
5. Require public notice and community hearings in each county where seaglider launch and landing facilities are proposed, prior to the commencement of operations.
6. Require resolution of the FAA/Coast Guard jurisdictional question before any state exemption takes effect.
7. Prohibit commercial passenger service until the vehicle has received full certification from the U.S. Coast Guard and/or FAA.
8. Include a sunset clause of no more than five years, with mandatory legislative review

before renewal.

Innovation should not come at the expense of accountability. Hawai'i's consumers, marine ecosystems, agricultural biosecurity, and energy systems deserve better than a blank check written for a mainland corporation that has not yet demonstrated it can operate safely in the environment it proposes to serve.

Mahalo for the opportunity to testify.

Respectfully submitted,

Tony Nodine Coordinator, North Kona Noise ACTION Kailua-Kona, HI 96740
NorthKonaNoiseAction@gamblesbest.com



April 1st, 2026

Representative Scot Z. Matayoshi
Chair, House Committee on Consumer Protection and Commerce
State Capitol, Room 422
Honolulu, Hawai'i 96813

RE: SB2400

Aloha e Chair Matayoshi, Vice Chair, and Members of the Committee,

Our islands must continue to seek innovative and sustainable alternatives for inter-island transportation, which is why I am in strong support of SB2400.

Regent Craft's seaglider technology directly addresses critical environmental concerns. It is fully electric, capable of utilizing renewable energy sources, and is projected to operate at approximately one-third the cost of conventional aviation and marine transportation options. This represents a significant opportunity to reduce emissions while improving affordability and efficiency.

Seagliders will also allow us to better serve underserved communities by expanding access through our harbor system, helping to alleviate congestion at our airports and providing more centralized points of access on each island. This flexibility enables the development of route structures that more effectively connect our islands to essential services such as healthcare, as well as supporting food sustainability and the delivery of fresher local products.

Allowing seagliders to operate exempt from Public Utilities Commission jurisdiction will foster a more competitive inter-island transportation environment—one that ultimately benefits the people of Hawai'i through increased options, improved access, and lower costs.

For these reasons, I strongly support SB2400 and respectfully ask for your leadership in advancing this measure so that our communities may benefit from this innovative alternative form of transportation.

Mahalo for your consideration,

David Uchiyama
President & CEO
Hawaii Think Tank

And

Former President & CEO
Island Air



Aloha Chair Matayoshi, Vice Chair, and members of the Committee.

My name is Michael Proulx, and I am here today to testify in **strong support of SB2400**. I am the Regional Director for North America at REGENT Craft. REGENT is the developer and manufacturer of all-electric Wing-in-Ground craft, known as Seagliders, which are a new mode of transportation that combines sea and air travel to create a high-speed, efficient, accessible transportation solution to move passengers and cargo between coastal communities.

In my role at REGENT, I've had the unique opportunity to join a collection of local community stakeholders right here in Hawai'i to form an organization called The Hawai'i Seaglider Initiative, or HSI. HSI membership spans across multiple sectors, from large transportation giants like Hawaiian and Southwest Airlines, to prominent community leaders like Kamehameha Schools and the Hawaiian Council, to agriculture and energy, and hospitality and healthcare. Over the past two years, this coalition has met regularly to discuss the fundamental transportation and logistics challenges facing the islands. It's clear that Hawai'i's reliance on limited, inefficient, carbon-intensive inter-island transportation networks hampers equitable economic growth in all communities.

HSI has identified three main pillars, or benefits, that Seagliders bring to the state:

1. **The first is Decarbonization:** Seagliders directly support the state goal of 100% clean energy by 2045 by fostering a zero-emission alternative to fossil-fuel-burning flights.
2. **The second is Access & Equity:** Seagliders provide a new, high-speed lifeline for underserved communities, improving access to critical healthcare on O'ahu and lowering the cost of travel for local families.
3. **The third is Resiliency:** In times of emergency, Seagliders can provide rapid response to areas that are currently difficult to reach.

SB2400 represents an important step in achieving these milestones identified by the Hawai'i community. The bill recognizes that Seagliders are not massive cargo ships, or slow-moving ferries, but their own class of innovative vessels. Subjecting them to the same Public Utilities Commission regulations as heavy water carriers would create unnecessary red tape, stifle innovation, drive-up costs for a service meant to be affordable for all residents, and subject the PUC to divert attention and resources away from their current mandate of responsibilities, which is to set just and reasonable rates so a monopoly doesn't over charge. Considering



Seagliders' unique modes of travel, the vessels will function within a market ripe with competition in the transportation space where price competition is essential to success.

Hawai'i has a unique opportunity to lead the world in sustainable maritime technology while making life easier for local communities. I urge this committee to pass SB2400. Mahalo for the opportunity to testify.



Hawai'i State House of Representatives
Committee on Consumer Protection & Commerce

SB2400 – Relating to Transportation

RE: Support of SB2400

April 1, 2026

Aloha Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee,

Hawaiian Council writes in **support of SB2400**, which expands sustainable transportation options that will better connect our pae 'āina and support Hawai'i's long-term community needs.

For many residents across Hawai'i, interisland transportation can be daunting and often acts as a barrier between our communities. Factors such as cost and travel time can limit access to essential resources and reduce overall efficiency. Seaglidors present a potential solution by introducing an all-electric, ocean-based transportation option that bridges the gap between traditional air and marine travel and offers a faster, more cost-effective, and economically accessible approach to interisland mobility.

This proposal also carries meaningful benefits for Hawai'i's workforce and essential services. Faster movement of people and supplies during natural disasters could strengthen emergency response efforts and improve the ability to address urgent needs across islands. In addition, new opportunities for education, workforce development, and higher-paying technical careers may emerge through the operation and maintenance of these services. Equally important, this initiative emphasizes a community-informed process that allows Hawai'i to signal innovation investment while ensuring that local communities have a voice in how these initiatives move forward.

As we prioritize the well-being of our people, we must also prioritize the well-being of our 'āina. Transportation remains one of Hawai'i's most challenging sectors to decarbonize, and electrified interisland mobility offers a promising tool to help reduce emissions while diversifying how residents travel. If even a portion of short-haul flights or cargo trips can shift to cleaner alternatives, Hawai'i can move closer to achieving its broader climate and sustainability goals.

For these reasons, Hawaiian Council respectfully urges the Committee to **PASS SB2400**. Mahalo for your commitment to responsible, innovative solutions that benefit both our people and our land.

Mālama pono,

Madelyn McKeague

Director of Advocacy, Hawaiian Council

HAWAIIANS ADVANCING HAWAI'I

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April 1, 2026, 2 p.m.
Hawaii State Capitol
Conference Room 329 and Videoconference

To: House Committee on Consumer Protection & Commerce
Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN SUPPORT OF SB2400 SD1 HD1 — RELATING TO TRANSPORTATION

Aloha Chair, Vice Chair and other Committee Members,

The Grassroot Institute of Hawaii **supports** [SB2400 SD1 HD1](#), which would exempt from the state Public Utility Commission's water carrier regulations any operators of wing-in-ground craft, or "seaglidings," engaged in the transportation of passengers.

Seaglidings have the potential to revolutionize transportation in Hawaii by providing a low-cost, low-carbon and high-speed way to get between islands. They could fill an important niche in Hawaii's transportation network and make it easier for residents to access healthcare, education and economic opportunities.

Seaglidings are vessels that can operate on water while in harbors and fly above the water while in transit. They glide at extremely low altitudes over the water to take advantage of the ground effect.

The ground effect is a phenomenon in which an aircraft's wings generate less drag when the aircraft is close to a surface, such as water. This makes seaglidings more efficient than conventional planes.

Unfortunately, current law makes it unnecessarily difficult to operate seaglidings in Hawaii. Because seaglidings can operate on water while in harbors, they are regulated as water carriers, even though they operate more like aircraft.

Under the state’s water carrier law, most seaglider operators would have to receive a certificate of public convenience and necessity from the state Public Utilities Commission before operating in Hawaii. Receiving a certificate from the commission is a long and difficult process that would act as a significant barrier to entry for seaglider operators.¹

Additionally, seaglider operators would have to receive the commission’s approval before modifying their routes or changing the rates that they charge customers. This would make it difficult for seaglider operators to keep up with the rapid pace of change in an emerging market.

Furthermore, this measure would not cause safety risks for Hawaii residents who might use seagliders in the future. As the bill notes, the U.S. Coast Guard already has regulations in place to ensure the safe operation of seagliders, making further regulation by the state Public Utilities Commission unnecessary.

Seagliders could elevate the quality of life in Hawaii, but if we want them to take off, we need to give them enough room to extend their wings.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

¹ [“PUC Case 2004-0180.”](#) Hawaii Public Utilities Commission, accessed February 10, 2026.



April 1, 2026

The Honorable Scot Z. Matayoshi, Chair
The Honorable Tina Nakada Grandinetti, Vice Chair
House Committee on Consumer Protection and Commerce

Re: SB 2400 SD1 HD1– RELATING TO TRANSPORTATION

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to support SB 2400 SD1 HD1, which exempts persons operating wing-in-ground craft from the application of the Hawai'i Water Carriers Act. Defines "wing-in-ground craft."

HMSA appreciates the legislature exploring new means and technologies, to increase access for our residents. Hawaii's unique geographic nature can exacerbate challenges in cost and timeliness for especially our neighbor island residents who require care on Oahu. We hope that sea gliders can be one of many solutions to address this need in our State.

Thank you for the opportunity to support this measure.

Sincerely,

Walden Au
Director of Government Relations



Written Statement of
Trung Lam, Executive Director
before the
Committee on Consumer Protection & Commerce

State Capitol, Conference Room 329

Wednesday, April 1, 2:00 PM

In consideration of

SB2400

Chair Matayoshi, Vice Chair Grandinetti, Members of the Committee.

Mahalo for the opportunity to testify in **support** of **SB2400**, which would exempt wing-in-ground (WIG) craft—commonly known as *Seaglid*ers—from regulation under the Hawai'i Water Carriers Act (HRS 271G). This legislation is timely, necessary, and aligned with Hawai'i's climate, transportation, economic development, and resilience priorities.

This bill correctly highlights several statewide benefits of Seaglid

ers which include zero operational emissions, additional rapid interisland travel opportunities for healthcare, essential services, and employment. This is especially critical for neighbor island residents who rely on Oahu's medical facilities. Seagliders also enhance resilience and emergency response operations by reaching communities isolated by disasters, support humanitarian missions, and strengthen food and medical supply continuity.

Workforce & Economic Development

The growth of a Seaglid

er industry in Hawai'i aligns with Hawai'i's and HTDC broader economic diversification goals of strengthening Hawai'i's innovation economy, creating high-skilled jobs, attracting sustainable infrastructure investment, and positioning the state as a global leader in clean maritime-aviation technologies

PUC Regulation Is Not Necessary and Would Slow Deployment

HRS 271G was devised to regulate traditional maritime shipping, ensuring continuity of service, preventing monopolistic practices, and overseeing tariffs and rates. It is not designed or intended for federally regulated craft like Seaglid

ers. Further no other state imposes PUC type regulations for water transportation this way. They rely upon:

- U.S. Coast Guard to provide consumer protection oversight for WIG craft.
- Federal maritime laws for vessel classification
- State boating laws for basic operational rules (navigation, speed limits, environmental rules)
- Seagliders are intended to complement air travel, not compete as water carriers as was the purpose of HRS 271G.



Applying HRS 271G would impose duplicative and costly regulation without improving safety, environmental, or consumer protection. Exempting WIG craft aligns Hawai'i's regulatory framework with federal jurisdiction and with how WIG and other aviation-adjacent technologies are treated nationwide. This legislation is not about favoring one company or technology—it is about removing structural barriers which prevent Hawai'i from adopting zero-emission transportation solutions.

SB2400 is a forward-looking, climate-aligned, and economically beneficial measure that modernizes Hawai'i's regulatory landscape to support clean, efficient, and resilient interisland transportation. For these reasons, I respectfully urge the Committees to pass this legislation.

Mahalo for your leadership and for the opportunity to provide testimony.





International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

1935 HAU STREET, 5th Floor • HONOLULU, HI 96819-5003
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TO: HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Hearing on Wednesday, April 1, 2026 at 2:00 p.m., Conference Room 329

RE: TESTIMONY IN **SUPPORT** OF SB 2400 SD1 HD1

Honorable Chair Scot Z. Matayoshi, Vice Chair Tina Nakada Grandinetti, and Members of the Committee on Consumer Protection & Commerce:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 2,700 men and women working in electrical construction, telecommunications, civil service employees, and educator and faculty associations.

As a union dedicated to the advancement of Hawaii's workforce and the pursuit of the State's 100% renewable energy goals, we recognize that Seaglidere represent the future in clean, zero-emission interisland transportation. We **support SB 2400 SD1 HD1** as it provides the necessary regulatory clarity to allow this innovative industry to take flight without the redundant oversight of the Public Utilities Commission, which is better suited for traditional water carriers.

The deployment of Seaglidere will create high-quality, high-paying jobs for technicians, electricians, and systems specialists. Our members are ready to provide the skilled labor needed to build and maintain the electrical infrastructure and charging systems required for these vessels.

With public safety already overseen at the federal level, exempting these crafts from the Hawaii Water Carriers Act prevents unnecessary costs that would otherwise discourage investment in our State, and slow potential job creation. We believe that by passing SB 2400 SD1, the Legislature will stimulate investment in our green economy and ensure our workforce is prepared for the next generation of transportation.

We respectfully urge your committee to pass SB 2400 SD1 HD1. Mahalo for the opportunity to provide testimony.

LATE

SB-2400-HD-1

Submitted on: 3/31/2026 7:50:39 PM

Testimony for CPC on 4/1/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|----------------|-----------------|--------------------|------------------------|
| Aaron Ishikawa | Aero X Ventures | Support | Written Testimony Only |

Comments:

Testimony of Aero X Ventures
In Support of SB2400, SD1, HD1
Relating to Transportation

Chair Matayoshi and Members of the Committee on Consumer Protection and Commerce,

Aero X Ventures submits testimony in support of SB2400, SD1, HD1.

Aero X Ventures is a venture capital firm focused on emerging aerospace and advanced transportation technologies. From this perspective, we view wing-in-ground craft, commonly referred to as seaglidors, as a promising innovation with the potential to enhance interisland mobility while supporting Hawai'i's long-term economic diversification.

SB2400 provides a targeted and appropriate update to existing law by recognizing that current water carrier regulations were developed for traditional maritime operations and were not designed for this new category of technology. As described in the measure, wing-in-ground craft operate using ground-effect technology and are subject to applicable federal safety oversight. Exempting these operators from the Hawai'i Water Carriers Act helps avoid duplicative regulatory treatment without reducing consumer protection or safety.

At this stage, maintaining a clear and consistent regulatory framework will support responsible deployment and private investment in emerging interisland transportation solutions while improving connectivity across the islands.

Thank you for the opportunity to provide testimony in support of SB2400, SD1, HD1.

Sincerely,
Aaron Ishikawa



April 1, 2026

LATE

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Scot Matayoshi, Chair; Rep. Tina Grandinetti, Vice Chair; and Committee Members
Public Hearing, April 1, 2026, 2:00 p.m. – Conference Room 329, State Capitol

Testimony of William F. Anonsen, Managing Partner/Principal of The Maritime Group
In Support of S.B. 2400, SD1 HD1, Relating to Wing-in-Ground Craft/Seaglidors

My name is William F. Anonsen, the Managing Partner/Principal of The Maritime Group. We respectfully submit this testimony in support of S.B. 2400, SD1 HD1. This measure represents a thoughtful and forward-looking step to enable the introduction of “wing-in-ground craft”, or “seaglidors,” as an innovative, zero-emission complement to Hawai’i’s interisland transportation system. As an island state, Hawai’i depends on reliable, efficient, and resilient connectivity to support its economy, public safety, and community well-being.

As reflected in the measure and the Committee on Transportation’s report, these vessels combine maritime and aviation characteristics and operate under existing federal oversight. Subjecting them to the Hawaii Water Carrier Act could result in duplicative regulation, increased costs, and unnecessary barriers to deployment without enhancing public safety or consumer protection. The bill appropriately provides regulatory clarity by exempting passenger-carrying wing-in-ground craft from the Water Carrier Act while maintaining federal safety oversight. This balanced approach supports innovation while preserving necessary protections. The measure also aligns with Hawai’i’s statutory decarbonization goals and broader policy objectives. Wing-in-ground craft offers a clean, energy-efficient transportation option that can help reduce emissions across the interisland transportation system.

Equally important are the practical benefits to our communities. This technology has the potential to enhance interisland connectivity, particularly for underserved areas, improve access to healthcare and essential services, strengthen emergency response and resilience, and support economic diversification through new investment and workforce opportunities.

As noted in my prior testimony, Hawai’i has a unique opportunity to lead in adopting sustainable transportation solutions that are well-suited to our island geography. This measure represents a pragmatic and well-considered step in that direction. For these reasons, we respectfully urge your support for S.B. 2400, SD1 HD1.

Mahalo for the opportunity to provide these comments.

Respectfully submitted,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal
THE MARITIME GROUP

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March 30, 2026

Rep. Scot Z. Matayoshi, Chair
Rep. Tina Nakada Grandinetti, Vice Chair
Committee on Consumer Protection & Commerce
House of Representatives
33rd Legislature, State of Hawai'i

via: <http://www.capitol.hawaii.gov>

Dear Honorable Committee leadership and members,

Re: **OPPOSITION TO SB2400, SD1 HD1 RELATING TO
TRANSPORTATION**

DATE: Wednesday, April 1, 2026
TIME: 2:00 p.m.
PLACE: Conference Room 329 & Videoconference
State Capitol
415 South Beretania Street

This amended bill proposes to exempt “*persons operating wing-in-ground craft engaged in the transportation of passengers*” from application of the Hawaii Water Carrier Act and therefore and the jurisdiction of the Public Utilities Commission. **I write in opposition to this premature and insufficiently supported action.**

Please consider as a preliminary matter the findings stated in support of this act set forth in Section 1:

1) First paragraph, first sentence:

“The legislature finds that wing-in-ground craft, which are often referred to as ‘seaglidings,’ are an emerging interisland mode of transportation.”

“Often referred to as seaglidings” suggests the vessels might actually be something other than “seaglidings.” If not, what is the need, then, to redefine these vessels as “wing-in-ground craft”? An automatic google AI response to the same question provided, “*Note: The term*

"Seaglider" can also refer to a type of autonomous underwater vehicle (AUV) used for oceanographic research, which operates by gliding through the water while measuring ocean data." If that is the legislature's justification for renaming an otherwise commonly comprehensible "seaglider" to the what-the-heck is a "wing-in-ground craft" (?), then it should be expressed in legislature's findings.

Whereas this bill attempts to afford this transportation mode an exemption from the Hawaii *Water Carrier's Act*, it is not unreasonable to conclude that its proponents seek to dissociate this technology from any association with "Hawaii Waters." Even the potential unconstitutionally specially interested party, REGENT, unnamed in this bill, calls the technology "wing-in-ground effect". See, <https://www.regentcraft.com/news/seaglid-ers-high-speed-all-electric-maritime-vessel> (hereinafter "REGENT website")(last visited today).

This arguable disingenuity is perpetuated in the bill's proposed definition of "winged-in-ground aircraft" that appears in section 2: "Wing-in-ground craft' means a vessel that is capable of operating completely above the surface of water on a dynamic air cushion created by the aerodynamic lift caused by the ground effect between the vessel and the water's surface." (emphasis added). No, not completely.

SEAGLIDERS ARE A NOVEL TYPE OF *MARITIME VESSEL*
Seagliders are all-electric maritime vessels that operate in three modes – float, foil, and fly.

"Float": Seagliders float on their hull at docks or while maneuvering at low speeds, using existing dock infrastructure to pick up and drop off passengers and goods.

"Foil": Seagliders rise onto hydrofoils — wings that operate underwater to lift the hull out of the water to reduce drag and avoid waves — to navigate harbors and channels and reach low takeoff speeds.

"Fly": Seagliders fly over open water at speeds up to 180mph (300kph) on a cushion of air using a phenomenon called "ground effect," always flying within one wingspan of the water's surface.

See REGENT website, *supra*. (emphases added).

2) The findings stated just before Section 2 include the following: "[T]he Hawaii state energy office, in its "pathways to decarbonization" report to the legislature pursuant to Act 238, Session Laws of Hawaii 2022, identified the use of wing-in-ground craft as a strategic decarbonization measure." No, not expressly. That Report instead merely states:

Presently, REGENT has achieved a milestone by successfully conducting test flights using a quarter-scale proof-of- concept pilotless prototype. *It will likely require several years before these vehicles undergo extensive testing and certification processes to guarantee adherence to maritime and potentially aviation*

regulations. *Only after meeting these rigorous standards will seaglid­ers become commercially available. No boat or aircraft can enter commercial service until certification is completed, and that applies to REGENT seaglid­ers as well. However, the process is expected to be much quicker for seaglid­ers than for aircraft due to the maritime path vs the aviation path. Southern/Mokulele is planning to bring twelve-passenger seaglid­ers to Hawai‘i by the end of 2026 or early 2027. While ambitious, this may be more feasible than conventional electric aircraft because seaglid­ers are not considered aircraft.*

Act 238 Decarbonization Final Report 2023, at 112-113 (emphasis added).

The PUC submitted testimony on the bill before the Senate Committee on Commerce and Consumer and the House Committee on Transportation stating, “The Commission notes that wing-in-ground craft will ***likely*** be regulated by the U.S. Coast Guard ***for the purpose of safety.*** Additionally, the Commission ***believes*** that the U.S. Federal Aviation Administration (“FAA”) ***may have*** regulatory authority over ***certain wing- in-ground operations.***” (emphases added). Accordingly, the matter of agency regulation and oversight of carriers that may someday utilize this nascent technology is unsettled and therefore this bill fatally premature.

The uncertainty of regulatory jurisdiction is acknowledged in the House Transportation Committee Report (emphasis added): “*Because these craft operate through a unique combination of maritime and aviation characteristics and are subject to federal oversight, subjecting wing-in-ground craft to regulation under the Hawaii Water Carrier Act may impose duplicative oversight, increase costs, and create barriers to deployment without providing additional consumer or public safety protections.*”

One of the 2 total amendments made to this bill by House Transportation proposes that only carriers of passengers, not cargo, shall be exempt. The Transportation Committee report provides no basis for its decision to amend the bill to exempt carriers of passengers while retaining Water Carrier Act jurisdiction over carriers of cargo. Previous testimony submitted in support of this bill by the Grassroots Institute might be instructive (emphasis added): “*Under the State’s water carrier law, most seaglider operators would have to receive a certificate of public necessity and convenience from the state [PUC] before operating in Hawaii.*” But this assertion also is unsupported. Why, and what, is “most” and why not all?

The Grassroots Institute’s testimony continues with, “*Receiving a certificate from the commission is a long and difficult process that would act as a significant barrier for entry to seaglide operators*”. This Statement is followed by a footnote (1): “*PUC Case 2004-0180, Hawaii Public Utilities Commission, accessed February 10, 2026.*” The account name for this case is “***Superferry Hawaii, Inc.***” (available at: <https://hpuc.my.site.com/cdms/s/puc-case/a2G8z0000007jTxEAI/pc37486?tabset=431dc=3>). To the contrary, the Superferry’s PUC docket shows Superferry submitted its application for certification on 7/22/2004. The PUC Decision and Order No. 21524 granting the application was filed and entered five months later on December 30, 2004. See Id.

Finally, the House Transportation Committee's second amendment appropriately deleted the provision making the bill effective upon approval, and replaced it with an effective date of July 1, 3000 "to encourage further discussion." But until this nascent technology is proven as a viable intra and inter-island transportation mode in and over Hawai'i waters, and the federal/state, water/air jurisdictional questions are settled, any and all legislative action exempting this transportation mode from PUC regulation rightfully must be rejected as fatally premature.

Thank you for your consideration of my testimony. Aloha.

/s/ Georgette A. Yaindl
GEORGETTE ANNE YAINDL

Cindy Freitas

makainanqi@gmail.com

He Mele komo a he mele aloha no na kupuna o ke au i hala Aloha mai kakou.

Aloha,

My name is Cindy Freitas and I'm a Native Hawaiian descended of the native inhabitants of Hawai'i prior to 1778 and born and raised in Hawai'i.

I am also a practitioner who still practice the cultural traditional customary practices that was instill in me by my grandparents at a young age from mauka (MOUNTAIN TO SEA) to makai in many areas.

WHAT THIS BILL DOES

SB2400 proposes to **exempt “wing-in-ground craft” (seaglidery) from the Hawai'i Water Carriers Act**, removing certain regulatory oversight from these vessels.

It is justified partly under the State's **decarbonization goals for transportation**.

CULTURAL & 'IWI KUPUNA FOUNDATION

Our kūpuna never separated law from land or ocean. The kai (sea) is not empty space—it is:

A highway of ancestral navigation

A food system (loko i'a, fishing grounds)

A burial and spiritual realm tied to iwi kūpuna

A place governed by kapu and kuleana

To remove oversight from new ocean technology is to ignore 'ike kūpuna and disrupt a system that predates the State itself.

LEGAL FOUNDATION

1. Hawai'i Constitution – Public Trust Doctrine

The State has a **constitutional duty to protect natural resources**:

“All public natural resources are held in trust by the State...”
(**Hawai'i Constitution, Article XI, Section 1**)

And:

The State must protect traditional and customary Native Hawaiian practices
(**Article XII, Section 7**)

Hawai'i Supreme Court Case Law

In re Water Use Permit Applications (Waiāhole Ditch)

Established the **Public Trust Doctrine as a fundamental duty**

Requires **precautionary protection of resources**

The Court held that when in doubt, the State must **err on the side of protecting natural resources and Native rights**

Ka Pa‘akai o Ka ‘Āina v. Land Use Commission

- Requires agencies to:
 1. Identify traditional practices
 2. Assess impacts
 3. Mitigate harm

SB2400 does **none of these explicitly**

Kalipi v. Hawaiian Trust Co.

Protects gathering rights tied to Native Hawaiian identity

Ocean access and use fall within these protected practices

CORE ARGUMENT

By **exempting seaglidgers from regulation**, SB2400 risks:

Weakening environmental oversight

Bypassing cultural impact review

Undermining constitutional protections

Creating precedent for unregulated commercial use of Hawaiian waters

This is not just a transportation bill—it is a jurisdictional shift over our ocean resources.

SPECIFIC RISKS

1. Impact to fishing and subsistence areas
2. Disturbance of nearshore ecosystems (limu, reefs, spawning zones)
3. Noise and wake disruption affecting marine life
4. Interference with traditional navigation and cultural practices
5. Lack of community consent and ‘ike kūpuna consultation

DECARBONIZATION ARGUMENT

Yes, climate change is real.

Yes, innovation is needed.

But **clean energy cannot come at the cost of cultural erasure or constitutional violations.**

The Hawai‘i Supreme Court has made it clear:

Environmental progress must still comply with the **Public Trust Doctrine**

OPTION 1 – FULL OPPOSITION

I strongly urge this committee to **DEFER SB2400** until:

Cultural impact assessments are required

Native Hawaiian consultation is mandated
Regulatory oversight is maintained

OPTION 2 – CONDITIONAL SUPPORT

If this bill is to move forward, it must be amended to include:

Mandatory **Ka Pa‘akai analysis**

BLNR / DLNR oversight retained

Cultural practitioners on decision-making bodies

Geographic restrictions near sensitive areas

My kūpuna navigated these waters without engines, without exemptions, and without harming the balance that sustained generations.

We are not against progress.

But progress without ‘ike is not advancement it is loss.

I ask this body to remember:

The ocean is not just a corridor for innovation.

It is a living ancestor.

And under Hawai‘i law and under our genealogy you have a duty to protect it.

Mahalo,

Cindy Freitas