



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
KA 'OIHANA PILI KĀLEPA  
335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: 1-844-808-DCCA (3222)  
Fax Number: (808) 586-2856  
cca.hawaii.gov

JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

NADINE Y. ANDO  
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA  
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Commerce and Consumer Protection  
and  
Senate Committee on Transportation  
Wednesday, February 18, 2026  
9:45 a.m.  
Via Videoconference**

**On the following measure:  
S.B. 2694, RELATING TO WATER CARRIERS**

Chair Keohokalole, Chair Inouye, and Members of the Committees:

My name is Michael Angelo, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department offers comments on this bill.

The purpose of this bill is to: (1) authorize the Public Utilities Commission (Commission) to establish automatic adjustment mechanisms to address economic factors sua sponte or on application by a water carrier; (2) require the Commission to establish a water carrier inflationary cost index automatic adjustment mechanism; and (3) authorize the Commission to waive or exempt any water carrier from any requirement under the Hawai'i Water Carrier Act.

Specifically, this measure authorizes the Commission to establish a water carrier inflationary cost index automatic adjustment mechanism (Automatic Adjustment Mechanism) no later than July 1, 2026. This Automatic Adjustment Mechanism is to

reflect the applicable annual percentage change in the increase of wharfage rates set by the department of transportation, harbors division (DOT), pursuant to applicable administrative rules. In addition, this mechanism shall be: (1) applied on an annual basis; (2) capped at no more than 5% per year; and (3) applied at an ongoing three-year cadence, with the Automatic Adjustment Mechanism being applied annually for two consecutive years, with the third year requiring an application with rates, fares, or charges for the transportation of property that the water carrier proposes to be effective in the third year of the three-year cycle (regardless of whether the water carrier is seeking any rate changes).

Under this measure, any request to establish the proposed Automatic Adjustment Mechanism made by a water carrier would be through a 45-day tariff transmittal or as part of a general rate case application. The third-year application shall be subject to the review process requirements of a standard rate increase application under current laws. In addition, this measure would expand the Commission's discretion and waiver authority or its ability to exempt water carriers from all laws and any applicable decisions, orders, rules, or other laws upon a determination that such laws, decisions, orders, and rules should not apply to water carriers or that application of them would be unjust, unreasonable, or not in the public interest.

The Department appreciates the intent of this bill to support the water carrier industry. Water carriers play a crucial role in sustaining each island's economy and community. The Department recognizes that any disruptions in intrastate water carrier services present significant hardships to customers, especially for communities on the neighbor islands. However, the Department is concerned that adoption of such a mechanism may result in unnecessarily burdening customers with increasing rates. The Department's understanding is that under current DOT rules, specifically Hawaii Administrative Rules § 19-44-73(4), wharfage rates increase annually, by the greater of, 3% over the then prevailing wharfage rate, or the annual percentage increase in the Consumer Price Index (CPI).

For context, the review of whether the establishment of an automatic rate adjustment mechanism for Young Brothers, LLC (YB) is in the public's interest was

already considered and evaluated in two Commission proceedings which both closed. In these cases, the Automatic Adjustment Mechanism was tied the increase to Gross Domestic Product Price Index (GDPPI) as opposed to the CPI, as it does in this bill. With this in mind, the Department notes the following:

- In 2024, YB submitted an application with the Commission requesting approval of an automatic rate adjustment mechanism, which became a matter of Docket No. 2024-0092. By order issued on December 12, 2024, the Commission dismissed YB's application without prejudice, and stated that YB may include a request for an adjustment surcharge or rate adjustment mechanism as part of its next test year rate application.
- Recently, on November 17, 2025, the Commission issued its decision regarding YB's latest rate case, in Docket No. 2024-0255. In that decision and order, the Commission approved a rate increase of \$26,085,252, or approximately 25.75%, over previous permanent rates for YB while, among other matters, denying YB's request for an automatic rate adjustment mechanism. In so doing, the Commission specifically stated that such an adjustment mechanism could be revisited at an appropriate time.

In the decision denying the request for an automatic rate adjustment mechanism, the Commission articulated that in establishing any type of automatic rate adjust mechanism YB must first demonstrate that it is prudently operating its business, including managing its expenses and debt, and maximizing operational efficiencies. The Commission noted that without such a demonstration, the automatic rate adjustment mechanism may inadvertently serve to offset inefficiencies in other areas and mask shortcomings in YB's operations, to the detriment of customers who ultimately bear these higher costs. The Department fully agrees with the Commission on this matter.

With respect to the mechanism itself, it is not clear that the CPI accurately reflects the water carrier's actual costs of operations, especially in light of the fact that the water carrier's fuel expenses are already passed through to customers as a surcharge. The

Department recognizes that inflation impacts sectors and regions differently, and it is uncertain whether indices like CPI (or GDPPI) sufficiently track the impact of inflation on the operations and maintenance expenses of water carriers. Overall, the Department believes that such a mechanism warrants careful examination through a Commission proceeding, which the Commission articulated that it was willing to revisit.

Additionally, for further context, the Department notes that the Commission already attempted to implement certain regulatory programs that are similar to the mechanism proposed in this bill with the intention of providing the regulated water carrier with flexibility that would allow the water carrier to gradually re-balance its rates so that the rates for less than container load service would better match the cost of providing that service. This flexibility was granted in a zone of reasonableness program, as well as an annual freight rate adjustment program. After the water carrier used both programs to raise rates for all customers as well as file general rate increases to further increase rates, the Commission terminated both regulatory flexibility programs because they were not being used for their intended purposes.

In summary, the Department offers that it is premature to enable any automatic rate adjustment through this bill without first gaining a better understanding of, and potentially improving upon, the water carrier's business model as well as its ability to enact and implement cost control measures. And, rather than through a bill, such a mechanism should be established after careful review of YB's operations and processes for efficiencies in a Commission proceeding.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



STATE OF HAWAII  
PUBLIC UTILITIES COMMISSION  
465 S. KING STREET, #103  
HONOLULU, HAWAII 96813

JON S. ITOMURA  
CHAIR

NAOMI U. KUWAYE  
COMMISSIONER

COLIN A. YOST  
COMMISSIONER

Telephone: (808) 586-2020  
Facsimile: (808) 586-2066

Website: [puc.hawaii.gov](http://puc.hawaii.gov)  
E-mail: [puc@hawaii.gov](mailto:puc@hawaii.gov)

## Testimony of the Public Utilities Commission

To the  
Senate Committees on  
Commerce & Consumer Protection  
and  
Transportation

February 18, 2026  
9:45 a.m.

Chairs Keohokalole and Inouye, Vice Chairs Fukunaga and Elefante, and Members of the Committees:

**Measure:** S.B. No. 2694  
**Title:** RELATING TO WATER CARRIERS.

### Position:

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

### Comments:

The Commission appreciates the intent of this measure to address annual inflation and regulatory lags water carriers may experience by establishing a Water Carrier Inflationary Cost Index ("WICI") automatic adjustment mechanism<sup>1</sup>. As the Committee contemplates the advancement of this measure, the Commission offers the following comments and amendment.

Over the past five years, the two regulated water carriers in the State, Young Brothers and Hone Heke, have filed various applications with the Commission for general rate increases, financing, and automatic adjustment mechanisms. In 2024, Young Brothers included a request for approval of a WICI within their most recent rate case, which was

---

<sup>1</sup> The Commission notes that discussions of an automatic adjustment mechanism for water carriers in the State are reflected in the final report of the Hawaii Water Carriers Working Group ("HWCWG"). The HWCWG was formed as a result of Senate Resolution Number 125, Senate Draft 1, 2020 Legislative Session.

eventually denied.<sup>2</sup> Given Young Brothers' extraordinary financial situation at the time, the Commission decided that it was not reasonable to allow automatic rate adjustments without Commission review. Nevertheless, the Commission did grant Young Brothers a final rate increase of 25.75% over previously approved rates.

As such, the Commission offers the following amendment to the measure.

Page 1, Line 14-16, addition in bold:

(b) ~~By~~ **After** July 1, 2026, the commission ~~shall~~ **may** establish a water carrier inflationary cost index automatic adjustment mechanism for each water carrier of property.

The Commission appreciates that the current measure, as amended, provides the Commission the flexibility and discretion in establishing an automatic adjustment mechanism for regulated water carriers.

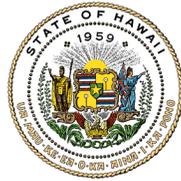
Thank you for the opportunity to testify on this measure.

---

<sup>2</sup> Docket No. 2024-0255, 2025 Test Year Rate Case.

**JOSH GREEN, M.D.**  
Governor

**SYLVIA LUKE**  
Lt. Governor



State of Hawai'i  
**DEPARTMENT OF AGRICULTURE & BIOSECURITY**  
KA 'OIHANA MAHI'AI A KIA'I MEAOLA  
1428 South King Street  
Honolulu, Hawai'i 96814-2512  
Phone: (808) 973-9560 FAX: (808) 973-9613

**SHARON HURD**  
Chairperson  
Board of Agriculture & Biosecurity

**DEAN M. MATSUKAWA**  
Deputy to the Chairperson

**TESTIMONY OF SHARON HURD  
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

**BEFORE THE SENATE COMMITTEES ON COMMERCE AND CONSUMER  
PROTECTION AND TRANSPORTATION**

**WEDNESDAY, FEBRUARY 18, 2026  
9:45 AM  
CONFERENCE ROOM 229**

**SENATE BILL NO. 2694  
RELATING TO WATER CARRIERS**

Chairs Keohokalole and Inouye, Vice Chairs Fukunaga and Elefante and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2694 that authorizes the Public Utilities Commission to establish automatic adjustment mechanisms to address economic factors sua sponte or on application by a water carrier. Requires the Public Utilities Commission to establish a water carrier inflationary cost index automatic adjustment mechanism. Authorizes the Public Utilities Commissions to waive or exempt any water carrier from any requirement under the Hawaii Water Carrier Act.

The Department of Agriculture and Biosecurity (Department) supports this measure that creates stability in interisland shipping, which is essential to Hawaii's agricultural supply chain and food distribution system. Reliable interisland transportation is critical for the timely movement of agricultural goods and inputs including fresh produce, livestock feed, fertilizer, seed and farm equipment. The improved rate predictability and transparency helps the industry plan for and manage costs. Additionally, it maintains Public Utilities Commission oversight while promoting the financial stability of water carriers.

This measure represents an important step toward ensuring the long-term financial viability and stability of interisland shipping, while additional mechanisms continue to be explored to improve operational flexibility.

Thank you for the opportunity to provide testimony on this measure.



February 18, 2026

Senate Committee on Commerce and Consumer Protection

Senator Jarrett Keohokalole, Chair

Senator Carol Fukunaga, Vice Chair

Senate Committee on Transportation

Senator Lorraine R. Inouye, Chair

Senator Brandon J.C. Elefante, Vice Chair

**RE: SB 2694 – RELATING TO WATER CARRIERS**  
**Hearing date: Wednesday, February 18, 2026, 9:45 a.m.**

Aloha Chair Keohokalole, Chair Inouye, Vice Chair Fukunaga, Vice Chair Elefante and Members of the Committees:

Thank you for the opportunity to submit testimony on behalf of Young Brothers, LLC offering **STRONG SUPPORT** for **SB 2694**. As drafted, this measure would:

- 1) Grant the Public Utilities Commission (“PUC”) discretionary authority and additional flexibility to establish rate-adjustment mechanisms for water carriers to address inflation, regulatory lag, and other economic factors.
- 2) Require the establishment of a capped water carrier inflationary cost index (“WICI”) annual rate-adjustment mechanism by July 1, 2026 coupled with mandated rate reviews for water carriers every three years.
- 3) Grant the PUC discretionary authority and flexibility to waive certain requirements for water carriers.

In sum, the changes proposed in this measure are designed to be a reasonable first step to modernize a rigid, outdated, and inefficient regulatory framework for water carriers, while offering more tempered and predictable rates and increased financial stability to facilitate the thoughtful and effective pursuit of necessary transformation.

**Who is Young Brothers, LLC (“YB”)?**

Young Brothers, LLC (“YB”) is a water carrier that transports cargo by tug and barge between the islands of O’ahu, Hawai’i, Kaua’i, Maui, Moloka’i, and Lāna’i. Since 1900, customers across the state have utilized YB’s frequent and regular sailings to serve as the “marine highway” that connects all island communities in this state. YB is currently the only water carrier statutorily authorized<sup>1</sup> to ship cargo from point-to-point within the state. As a regulated water carrier, YB is currently subject to the regulatory oversight of the Hawaii Public Utilities Commission (“PUC”).

---

<sup>1</sup> Under Chapter 271G, Hawaii Revised Statutes (“HRS”) (i.e., the Hawaii Water Carrier Act).

### **How is YB currently regulated?**

As a PUC regulated cargo water carrier, unlike other water carriers, YB is required to secure PUC approval before making changes to rates, service offerings, or sailing schedule. Securing approval to make such adjustments typically requires YB to undergo a quasi-judicial rate review process conducted by the PUC and the State Consumer Advocate to justify that YB's cost and investment decisions were reasonable and in the public interest. This process, known as a **general rate case**, is rigorous, time-consuming (often multi-year), contentious, and extraordinarily expensive under the current regulatory framework. In other words, absent PUC approval following a rate case, **YB is required to maintain its PUC approved services and sailings at the previously approved rates – regardless of the effects of external pressures beyond YB's control (e.g., inflation) and regardless of whether YB makes a profit.**

### **Is the current regulatory framework sustainable for water carriers and the customers they serve?**

No. The current regulatory framework was first codified for Hawaii Water Carriers in 1974. Since then, technology, competition, and prevailing economic conditions affecting the interisland water carrier industry have changed significantly, throwing this existing regulatory framework out of balance, and compromising the sustainability of regulated water carriers in the state. Competition from air freight, freight forwarders, and national and international water carriers have increased, coupled with the advent of online shipping services and the highest inflationary period the nation has experienced since the 1980s. For YB, regulated cargo volumes have stagnated, and its costs have concurrently risen, leading to a repeating and worsening cycle of financial deterioration:

1. Reasonably incurred costs rise faster than rates are adjusted, creating a widening gap between actual costs and PUC-approved revenues;
2. Necessary expenses and investments are delayed in favor of cheaper short-term fixes that ultimately result in increased operating costs over time;
3. The resulting higher operating costs necessitate the filing of larger, more contentious rate cases, yet concerns about rate-shock and affordability often result in limited rate increases or mandatory multi-year "stay-out" periods before further rate adjustments can be filed – further entrenching the cycle of financial instability.

In the current iteration of this cycle, the PUC recently approved an imposing rate increase of 25.75%, which took effect on January 1, 2026. YB is extremely appreciative to the PUC for its recognition of the need to extend this lifeline and to its customers for bearing the brunt of this considerable increase. However, the PUC coupled this approval with a 2-year "stay-out" period (i.e., a prohibition on rate increases) – which, absent any mitigating action, threatens to send YB and the customers who rely on our service on a path to repeat this same cycle of financial instability.

### **What can be done to break the cycle of financial instability?**

First and foremost, YB recognizes that YB must play the largest part in breaking the cycle by transforming our business in a way that is thoughtful and effective, with cost control and the customers and communities we serve at top of mind. Indeed, under new leadership by seasoned shipping and logistics industry professionals, YB is aggressively pursuing additional transformational initiatives to effectively and efficiently change the business and rehabilitate the severe financial deterioration the company has experienced in recent years. However, these efforts will take time, outreach and flexibility. While those efforts are ongoing, it must be

acknowledged that there are inflationary pressures beyond the control and reach of a regulated water carrier – yet these pressures have tangible effects on YB’s costs and revenues. Changes to the regulatory framework that has led to this repeating cycle must also be made.

Fortunately, during the 2020 legislative session, the Hawaii State Senate adopted Senate Resolution No. 125, S.D. 1 (2020), requesting the PUC to convene a working group to discuss and recommend solutions to ensure continuous water carrier service throughout the State, balanced with the need for water carriers to maintain financial sustainability. Said working group (the Hawaii Water Carriers Working Group, hereinafter “HWCWG”) was comprised of 18 key stakeholders from both the public and private sectors and met 13 times from August 2020 through October 2021 to gather background information on water carriers, Hawaii’s harbor system, and regulatory oversight of water carriers.

### **What did the Hawaii Water Carriers Working Group recommend?**

In the HWCWG’s final report summarizing its findings and recommendations, the HWCWG recommended the WICI mechanism, an interim annual rate adjustment for regulated cargo rates, along with the requirement for the water carrier to submit a general rate case every three years.<sup>2</sup> **The working group found that WICI, combined with a regular three-year cadence<sup>3</sup> for general rate cases, would reduce the administrative burden associated with rate adjustments, provides a more contemporaneous means of pairing regulated cargo rates with inflation adjusted expenses, and be a “significant step forward” with respect to ensuring water carrier service throughout the State and supporting the financial sustainability of the water carrier.**<sup>4</sup> YB also contends that its customers will greatly benefit from the ability to plan for **smaller more predictable cadenced rate increases** rather than the less frequent, but less predictable and likely much larger rate increases necessitated under the current ratemaking system.

### **Does the WICI mechanism proposed in this measure differ from previous proposals?**

Yes. Previous versions of WICI proposed an annual rate adjustment tied to GDPPI to address the impact of inflation. Concerns were raised regarding the potential inapplicability of GDPPI or any such national index to a water carrier in Hawaii. **Instead, this version now addresses these concerns and ties the WICI annual rate adjustment to an annual inflation based increase that is already applied by the State of Hawaii in the exact same industry, to the exact same customers, for the exact same cargo: that is, the annual increases to the wharfage rates that are assessed by DOT-Harbors under Section 19-44-73, Hawaii Administrative Rules (“HAR”) to fund improvements to the local harbors that harbor users like YB must operate from.** See the attachment to this testimony for a comparative illustration of how an annual inflationary increase indexed to wharfage would work.

---

<sup>2</sup> See Final Report of the HWCWG (December 27, 2021), available at: <https://puc.hawaii.gov/wp-content/uploads/2021/12/Final-Water-Carriers-Working-Group-Report-12-01-2021.pdf>

<sup>3</sup> Note that this version of the measure appears to inadvertently characterize this regular three-year cadence for rate cases as “an ongoing, repealing three-year cycle” (Emphasis added. See p. 2, ln. 9). For clarity, YB respectfully proposes that this be corrected to “an ongoing, repeating three-year cycle”.

<sup>4</sup> See Final Report of the HWCWG (December 27, 2021) at 15-17, available at: <https://puc.hawaii.gov/wp-content/uploads/2021/12/Final-Water-Carriers-Working-Group-Report-12-01-2021.pdf>

**Why should the legislature take action on this measure?**

YB has sought implementation of the WICI mechanism through the PUC twice, and both times the PUC has elected to decline implementation:

- On April 5, 2024, YB filed an application with the PUC seeking implementation of the first tier of the WICI mechanism.<sup>5</sup> On December 12, 2024, the PUC dismissed the application before beginning its independent substantive review, citing to, among other things, concerns over a lack of direct legal authority to support the Commission’s review of YB’s WICI application outside of a general rate case.<sup>6</sup>
- In response, YB included an identical request seeking the implementation of the first tier of the WICI mechanism as part of its recently completed rate case (Docket No. 2024-0255). Again, the PUC declined YB’s request, stating that “[s]hould YB return to a state of financial stability, and the Commission develops confidence in YB’s ability to reasonably control its costs, it may re-visit whether a WICI is appropriate at that time.”<sup>7</sup>

While YB acknowledges that aggressive cost control is a critical area of focus on YB’s path to financial sustainability, YB hopes that the legislature can see how WICI, a long-standing recommendation from a broad group of government and industry stakeholders is also a critical component of the solution. There is no reason to delay implementation any longer and risk putting YB and the customers and communities it serves through yet another iteration of the cycle of financial instability.

Further, by generally granting the PUC discretionary authority and flexibility to establish rate-adjustment mechanisms outside of a general rate case and waive certain requirements for water carriers, the legislature would be creating a more modern and adaptable regulatory framework that can mitigate the magnitude of rate increase requests, reduce the amount of time and resources that must be dedicated to such requests, and to establish and maintain financial sustainability in an evolving and increasingly competitive operating environment.

For the reasons stated above, YB offers **STRONG SUPPORT** for this measure, as amended.

Thank you for your service to the State of Hawaii, and for the opportunity to testify offering comments on this measure.

Sincerely,

Kris Nakagawa  
Vice President, External and Legal Affairs

---

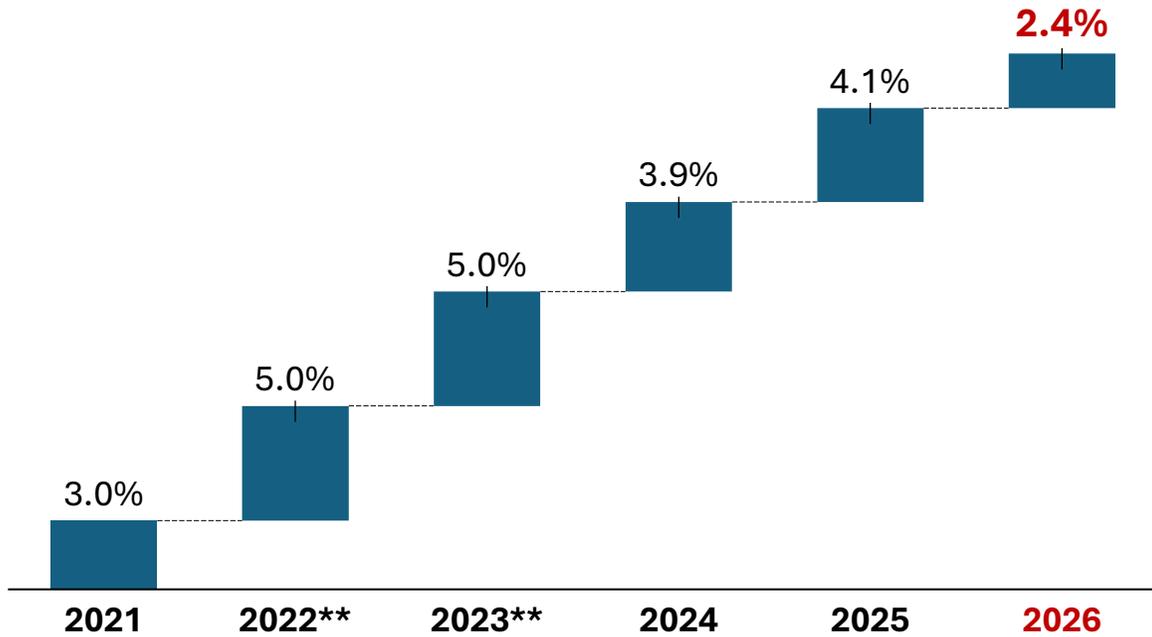
<sup>5</sup> See YB’s Application for Approval of the First Tier of the WICI Mechanism, available at: <https://shareus11.springcm.com/Public/DownloadNative/25256/12e77d0e-75f3-ee11-b843-48df377ee718/54312051-83f3-ee11-b843-48df377ee718>

<sup>6</sup> See Order No. 41249 at 9-10, available at: <https://shareus11.springcm.com/Public/DownloadNative/25256/a9ccf1a8-d3b8-ef11-b848-48df377ee710/8bf3e05c-e3b8-ef11-b848-48df377ee710>

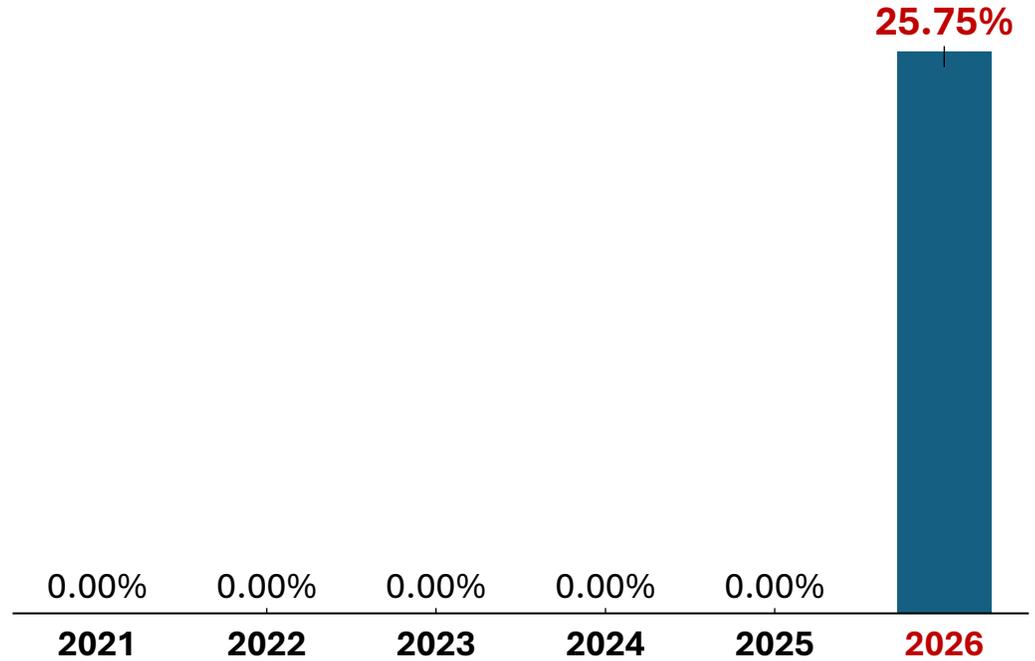
<sup>7</sup> See Order No. 42100 at 51, available at: <https://shareus11.springcm.com/Public/DownloadNative/25256/f1753d11-afe6-4002-a7fe-2d8794bc1aa5/fd077520-e4c3-f011-b84a-48df377ee718>

# Illustrative\* annual increase tied to maritime index (Hawaii DOT Wharfage) yields smaller more predictable rate increases vs. one-time General Rate Increase (GRI)

Annual Inflationary Increases 2021 - 2025 (Indexed to Hawai'i DOT Wharfage) + 2026 General Rate Increase (GRI)



No Annual Inflationary Increases 2021 – 2025 + 2026 GRI



\*For illustrative purposes only - (1) Actual WICI Cycle will include a mandatory rate review and reset every 3rd year in place of an inflationary increase. (2) Force Majeure events (fire, war, etc.) beyond water carrier's control may necessitate emergency rate increases.

Source: <https://hidot.hawaii.gov/harbors/harbor-users/admin-rules/>

\*\* 2022 and 2023 actual wharfage increase of 6% and 5.2% respectively were adjusted to proposed inflationary metric cap of 5%

Jennifer Lim  
PO Box 883  
Aiea Hi 96701

February 17, 2026

RE: SB 2694 – RELATING TO WATER CARRIERS  
HEARING DATE: Wednesday, February 18, 2026 at 9:45am

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

Thank you for the opportunity to submit comments in support of the Water Carrier Inflationary Index (WICI).

I've worked at Young Brothers for over 14 years and have seen how the decades old regulatory rules for water carrier rate adjustments are in serious need of revision. Prior to working at Young Brothers, I was also a customer of YB, who utilized its services and understood that as a state utility, Young Brothers' ability to provide reliable interisland shipping depends on customer rates covering the cost of providing the service.

Last year, as Young Brothers pursued a rate adjustment, I travelled with a team to visit with customers and community organizations and the one thing we heard the most was, "why couldn't YB adjust the rates every year in smaller increments?"

The State Water Carrier Working Group — made up of the Public Utilities Commission (PUC), Consumer Advocate, state agency leaders and elected officials, representatives from County government, and labor — met for over a year to identify opportunities to strengthen interisland shipping and the financial sustainability of water carriers. Building on the group's top recommendation, the proposed legislation would create a transparent new rate adjustment mechanism for water carriers. Each year, customer rates would be adjusted based on an existing framework to adjust the fees collected to maintain port infrastructure, administered by the Department of Transportation.

Reducing regulatory lag is a vital step toward securing the future of interisland shipping and Hawai'i's supply chain. This solution would modernize, not replace, the rules for interisland shipping. The PUC's oversight powers would remain unchanged, and it would retain complete control over setting Young Brothers rates as part of a comprehensive review required every three years. It also ensures that rate changes between reviews are incremental, with an annual cap of 5%. This is what makes sense for our customers and the community.

I hope you will stand with Young Brothers' more than 400 team members and the communities we serve by supporting this legislation.

Mahalo,

Jennifer Lim

February 17, 2026

RE: SB 2694 – RELATING TO WATER CARRIERS

HEARING DATE: Wednesday, February 18, 2026, at 9:45 a.m.

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

Thank you for the opportunity to submit comments in support of updating the decades-old regulatory rules for water carrier rate adjustments.

My name is Ashlee Kishimoto, and I am an employee of Young Brothers. As a state utility, Young Brothers' ability to provide reliable interisland shipping depends on customer rates covering the cost of providing the service, and on its ability to plan ahead and invest in the future. It requires having the equipment our skilled team needs to navigate challenging ocean conditions and deliver what matters most to Hawai'i. It means maintaining equipment, planning repairs or replacements before something breaks. It demands statewide infrastructure and a presence in each of our island communities, including routes that don't generate a profit.

Last year, as Young Brothers pursued a rate adjustment, we operated at a loss of more than \$23 million. While new rates in 2026 will help stabilize conditions, they do not resolve the underlying cycle created by regulatory lag and rising costs.

The State Water Carrier Working Group — made up of the Public Utilities Commission (PUC), Consumer Advocate, state agency leaders and elected officials, representatives from County government, and labor — met for over a year to identify opportunities to strengthen interisland shipping and the financial sustainability of water carriers. Building on the group's top recommendation, the proposed legislation would create a transparent new rate adjustment mechanism for water carriers. Each year, customer rates would be adjusted based on an existing framework to adjust the fees collected to maintain port infrastructure, administered by the Department of Transportation.

Reducing regulatory lag is a vital step toward securing the future of interisland shipping and Hawai'i's supply chain. This solution would modernize, not replace, the rules for interisland shipping. The PUC's oversight powers would remain unchanged, and it would retain complete control over setting Young Brothers rates as part of a comprehensive review required every three years. It also ensures that rate changes between reviews are incremental, with an annual cap of 5%.

I hope you will stand with Young Brothers' more than 400 team members and the communities we serve by supporting this legislation.

Mahalo,  
Ashlee Kishimoto



February 18, 2026

**SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION**

Sen. Jarrett Keohokahloe, Chair; Sen. Carol Fukunaga, Vice Chair; and Committee Members

**SENATE COMMITTEE ON TRANSPORTATION**

Sen. Lorraine Inouye, Chair; Sen. Brandon Elefante, Vice Chair; and Committee Members

Public Hearing, February 18, 2026, 9:45 a.m. – Conference Room 229, State Capitol

**Testimony of William F. Anonsen, Managing Partner/Principal of The Maritime Group  
In Support of S.B. 2694, Relating to PUC Water Carriers**

My name is William F. Anonsen, Managing Partner/Principal of The Maritime Group, and we respectfully submit testimony in support of S.B. 2694 authorizing the PUC to establish automatic adjustment mechanisms for water carriers and requires the creation of a water carrier inflationary cost index tied to changes in harbor wharfage and other operating costs, while maintaining clear limits, tariff filings, and Commission oversight.

From both a professional and practical standpoint, this measure represents a thoughtful modernization of Hawai'i's regulatory framework for waterborne transportation. In an island state like ours, water carriers are not optional; they are foundational to daily island life. They move fuel, food, construction materials, and essential goods between islands and into our ports. Yet these carriers operate in a high-cost environment where harbor fees, labor, insurance, and compliance costs steadily increase. Under the current process, there is often a significant lag between rising costs and the ability to adjust rates, creating financial strain that can undermine service reliability and long-term investment.

This bill provides a balanced solution. By allowing modest, predictable, and transparent annual adjustments tied to objective cost indices and capping those adjustments, carriers gain needed stability while customers retain important protections. The three-year cycle, with annual index updates followed by a full rate review, preserves accountability and public transparency while reducing unnecessary administrative burden on both the Commission and industry.

Importantly, S.B. 2694 and its companion bill H.B. 2386 do not weaken oversight. It maintains tariff filing requirements, Commission review authority, and the ability to suspend or modify rates where appropriate. In my view, it strikes the right balance between regulatory discipline and operational practicality. Reliable, financially stable water carriers are essential to Hawai'i's supply chain resilience and economic security. Providing a modern, predictable rate framework ultimately benefits shippers, businesses, and families across our islands.

For these reasons, we respectfully urge the Committee to support and pass S.B. 2694.

Respectfully submitted,

*William F. Anonsen*

Managing Partner/Principal

THE MARITIME GROUP



1050 Bishop St. PMB 235 |  
Honolulu, HI 96813  
P: 808-533-1292 | e:  
[info@hawaiiifood.com](mailto:info@hawaiiifood.com)

**Executive Officers**

**Kit Okimoto**, Okimoto Corp., *Chair*  
**Jayson Watts**, Mahi Pono, *Vice Chair*  
**Jill Tamura**, Tamura Super Market, *Secretary/Treas.*  
**Lauren Zirbel**, HFIA, *President and Executive Director*  
**Paul Kosasa**, ABC Stores, *Advisor*  
**Toby Taniguchi**, KTA Superstores, *Advisor*  
**Joe Carter**, Coca-Cola Bottling of Hawaii, Odom, *Advisor*  
**Eddie Asato**, Pint Size Hawaii, *Advisor*  
**Gary Okimoto**, Safeway, *Advisor*  
**Maile Miyashiro**, C&S Wholesale, *Immediate Past Chair*

TO: Committee on Commerce and Consumer Protection and Committee on Transportation

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 18, 2026

TIME: 9:45am

RE: SB2964 Relating to Water Carriers

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in opposition to this measure. Water carriers play a unique and essential role in our islands. Creating a system that is financially sustainable for carriers and those that rely on them, equitable for all islands, and functional, presents a range of challenges.

We agree that changes are needed to address issues within the water carrier system, and we understand price adjustments may sometimes be necessary in order to continue to operate interisland water carrier shipping services.

However, automatically increasing prices on interisland shipping with no regard for how it will impact local agricultural producers, local manufacturers, local suppliers and distributors, and local retailers is not the right choice.

Having a dysfunctional and cost prohibitive interisland shipping system stifles local economic growth. There is tremendous potential for increased agricultural production and manufacturing on the neighbor islands. Unfortunately, in order to reach our state's population center on Oahu neighbor island producers must pay for shipping that is already becoming prohibitively expensive for some small local businesses.



1050 Bishop St. PMB 235 |  
Honolulu, HI 96813  
P: 808-533-1292 | e:  
[info@hawaiiifood.com](mailto:info@hawaiiifood.com)

**Executive Officers**

**Kit Okimoto**, Okimoto Corp., *Chair*

**Jayson Watts**, Mahi Pono, *Vice Chair*

**Jill Tamura**, Tamura Super Market, *Secretary/Treas.*

**Lauren Zirbel**, HFIA, *President and Executive Director*

**Paul Kosasa**, ABC Stores, *Advisor*

**Toby Taniguchi**, KTA Superstores, *Advisor*

**Joe Carter**, Coca-Cola Bottling of Hawaii, Odom, *Advisor*

**Eddie Asato**, Pint Size Hawaii, *Advisor*

**Gary Okimoto**, Safeway, *Advisor*

**Maile Miyashiro**, C&S Wholesale, *Immediate Past Chair*

Producers on one neighbor island who want to sell product to customers on another neighbor island must pay for and navigate our complex and costly shipping system twice because almost all shipments go through Honolulu.

Increasing prices automatically without addressing any of the root problems with the interisland shipping system will just exacerbate the problems and provide no benefit for local businesses or Hawaii consumers.

We agree that changes need to be made to the current system, and we believe that the first step is to transfer oversight of water carriers from the Public Utilities Commission to the Department of Transportation as proposed in HB1707.

Creating a system of automatic price increases before other issues in the water carrier system are addressed is unnecessary and will negatively impact the price of all goods including food.

We urge the Committee to hold this measure, and we thank you for the opportunity to testify.

Testimony of Matson Navigation Company, Inc.  
Support of SB2694  
Before the Committees on Commerce and Consumer Protection and  
Transportation  
February 18, 2026

Dear Chair Keohokalole, Chair Inouye, Vice Chair Fukunaga, Vice Chair Elefante, and Members of the Committees:

Matson Navigation Company, Inc. supports SB2694, which among other things, establishes a water carrier cost inflationary index mechanism.

As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent Hawaii's imported goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling to service our residents and businesses. This measure will provide for water carriers and rate payers more predictability with respect to establishing rates for regulated, intrastate shipping.

Thank you for considering our testimony in support.



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

February 18, 2026

HEARING BEFORE THE  
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION  
SENATE COMMITTEE ON TRANSPORTATION

**TESTIMONY ON SB 2694**  
RELATING TO WATER CARRIERS

Conference Room 229 & Videoconference  
9:45 AM

Aloha Chairs Keohokalole and Inouye, Vice-Chairs Fukunaga and Elefante, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawai'i Farm Bureau offers comments with concerns on SB 2694**, which would require the Public Utilities Commission to establish a mandatory automatic adjustment mechanism for water carrier rates.

Interisland shipping is one of the most significant cost drivers for Hawai'i's agricultural producers. Farmers and ranchers must ship essential inputs such as feed, fertilizer, equipment, and packaging materials, as well as transport finished products to market. Most producers are price takers and cannot pass increased transportation costs on to consumers.

Last year, the Public Utilities Commission approved a 25.75 percent rate increase for Young Brothers, effective January 1, 2026, to preserve interisland shipping services. Many agricultural producers are still absorbing these higher operating costs. Even annual adjustments capped at five percent compound over time and could substantially increase transportation expenses across the agricultural sector.

HFB appreciates Young Brothers' Island Agricultural Product shipping discount, which provides reduced shipping rates for locally grown agricultural products. That program has been meaningful for many producers. However, increases in base shipping rates can quickly offset or diminish the benefits of those discounts, particularly for small and neighbor-island farmers operating on thin margins.

While we understand the need for regulatory certainty and mechanisms to address inflationary pressures, shifting from discretionary rate review to a mandatory automatic adjustment structure reduces regulatory flexibility and limits the opportunity to fully evaluate cumulative impacts on essential industries such as agriculture.

HFB respectfully urges consideration of safeguards to ensure that any automatic adjustments:

- Maintain meaningful public input and review;
- Evaluate cumulative impacts over time;
- Preserve flexibility for the Commission to modify or suspend adjustments when warranted; and
- Protect agricultural shippers who rely on interisland transportation to sustain Hawai'i's local food production.

HFB values the critical role that interisland shipping plays in our economy and appreciates the longstanding partnership between water carriers and the agricultural community. At the same time, we ask that the economic realities facing local producers be carefully considered before establishing a mandatory rate adjustment mechanism.

Thank you for the opportunity to provide testimony.

[HAF Letterhead]

February 13, 2026

**Senate Committee on Commerce and Consumer Protection**

Senator Jarrett Keohokalole, Chair

Senator Carol Fukunaga, Vice Chair

**Senate Committee on Transportation**

Senator Lorraine R. Inouye, Chair

Senator Brandon J.C. Elefante, Vice Chair

**RE: SB 2694 – RELATING TO WATER CARRIERS**

**Hearing date: Wednesday, February 18, 2026, 9:45 a.m.**

Aloha Chair Keohokalole, Chair Inouye, Vice Chair Fukunaga, Vice Chair Elefante and Members of the Committees:

Mahalo for the opportunity to submit testimony in support of SB 2694.

The Hawai'i Agricultural Foundation (HAF) is a nonprofit dedicated to supporting our local farming and agricultural industry by connecting farmers to the community. Founded in 2007 and renamed in 2010, HAF strengthens food security in Hawaii by fostering collaboration, learning, and action to ensure that Hawai'i's agricultural industry continues to grow—for our people, our islands, and generations to come.

Local producers, especially those on the neighbor islands, depend on a seamless statewide supply chain. Interisland shipping is the bridge between the field and the consumer.

This measure establishes a more structured approach to setting shipping rates, based on an existing state benchmark, and greater transparency about when and how they will change. That would be a significant improvement over the current system, where shipping rates suddenly change after long periods of being artificially low.

When costs shift suddenly or unpredictably, farmers operating on thin margins feel the impact immediately. Predictable shipping rates allow agricultural producers to plan, manage costs, and set prices with greater confidence. That stability ultimately benefits local producers and strengthens Hawai'i's food security.

Mahalo,

Denise Yamaguchi

Founder & Executive Director



1001 Bishop Street #625 | Honolulu, HI 96813  
866-295-7282 | [aarp.org/hi](http://aarp.org/hi) | [hiaarp@aarp.org](mailto:hiaarp@aarp.org) |  
[Twitter.com/aarphawaii](https://twitter.com/aarphawaii) | [facebook.com/aarphawaii](https://facebook.com/aarphawaii)

**The Thirty-Third Legislature  
Senate Committees Commerce and Consumer Protection and  
on Transportation  
Wednesday, February 18, 2026  
Conference Room 229  
9:45 a.m.**

TO: The Honorable Jarrett Keohokalole, Chair  
The Honorable Chris Lee, Chair  
FROM: Keali'i S. López, State Director  
RE: Strong Opposition to S.B. 2694 Relating to Water Carriers

Aloha Chair Keohokalole, Chair Lee, and Members of the Committees:

My name is **Keali'i López**, and I serve as the State Director of **AARP Hawai'i**, representing more than **135,000 members statewide**. Thank you for the opportunity to testify in **strong opposition to S.B. 2694**. AARP is a nonprofit, nonpartisan organization dedicated to **empowering people age 50 and older to choose how they live as they age**. Central to that mission is **protecting consumers, especially older adults on fixed incomes from automatic cost increases that reduce affordability and weaken oversight**.

**Executive Summary: Why This Bill Harms Consumers**

S.B. 2694 requires the Public Utilities Commission to approve **automatic annual rate increases** for water carriers of property, tied to increases in **DOT Harbors wharfage rates**, for two out of every three years—**without a full rate case review** and with increases capped up to **5% per year**.

AARP opposes this approach because **automatic rate adjustment mechanisms shift financial risk from companies to consumers**, reduce transparency, and **allow rate increases to occur without meaningful scrutiny of whether costs are necessary, reasonable, or prudently incurred**. These risks fall hardest on households least able to absorb unpredictable price increases.



## What the Bill Does

Specifically, S.B. 2694 would:

- Requires the commission, by **July 1, 2026**, to establish an **automatic inflationary adjustment mechanism** for each water carrier of property.
- Ties annual rate increases to **wharfage rate increases**, rather than to a carrier's actual costs.
- Creates a **repeating three-year cycle**, with **automatic increases in years one and two**, and only a limited review in year three.
- Broadly defines "automatic adjustment mechanism" in a way that allows **rate changes between full rate cases**.
- Expands the commission's **waiver and exemption authority**, further reducing consumer protections.

## Why Legislators Should Oppose S.B. 2694

1. **Automatic increases undermine regulatory oversight.**  
Traditional rate cases exist to protect consumers by requiring utilities to justify their costs in a transparent, evidentiary process. By contrast, automatic adjustment mechanisms allow increases to occur **without the same level of public review or accountability**, weakening one of the most important consumer safeguards in utility regulation.
2. **Tracker-style ratemaking shifts risk to consumers.**  
When costs are recovered automatically, companies face **less incentive to control expenses**, because recovery is guaranteed. This risk transfer means consumers rather than carriers bear the burden of rising costs, regardless of whether those costs were avoidable or well-managed.
3. **Indexing does not prove prudence.**  
Tying rate increases to wharfage fees does not demonstrate that a carrier's own costs increased at the same rate, nor that those costs were prudently incurred. S.B. 2694 allows increases **without requiring proof that higher charges are justified**, especially during the automatic years.
4. **Affordability impacts are real—especially for older adults.**  
Many older Hawai'i residents live on **fixed or limited incomes**. Even modest, automatic annual increases can accumulate quickly, making essential services less affordable and forcing difficult household tradeoffs. Policies that reduce oversight and predictability **disproportionately harm those least able to absorb new costs**.

### **Better, Consumer-Centered Alternatives**

If the Legislature wishes to address inflation or regulatory lag, AARP urges approaches that **preserve consumer protections**, including:

- Keeping rate changes within **full rate cases or robust evidentiary proceedings** that review all costs and revenues together.
- If any indexing is considered, adding **clear statutory safeguards**, such as:
  - Demonstrated linkage between indexed increases and actual carrier costs;
  - Annual prudence reviews with **true-up or refund mechanisms**;
  - Clear bill disclosure and advance public notice;
  - Strong caps paired with affordability impact analysis; and
  - Limits on waiver authority or requirements for explicit findings and public input.

### **Conclusion**

S.B. 2694 moves Hawai'i in the wrong direction by prioritizing administrative convenience over **consumer protection, transparency, and affordability**. For these reasons, **AARP Hawai'i respectfully urges the Committees to defer S.B. 2694**.

Mahalo for the opportunity to testify and for your continued commitment to protecting Hawai'i consumers.

**SB-2694**

Submitted on: 2/16/2026 7:36:07 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jonathan Hermosura	Testifying for Young brothers	Support	Written Testimony Only

Comments:

I strongly support sb2694. Thank you



Testimony in **SUPPORT** for SB 2694, Relating to Water Carriers

Senate Committee on Commerce and Consumer Protection  
Senate Committee on Transportation  
February 18, 2026

Aloha Chairs Keohokalole and Inouye, Vice Chairs Fukunaga and Elefante, and members of the committees,

The Hawaii Harbors Users Group is in strong **support** of SB 2694, relating to water carriers.

This bill is a critical step toward ensuring the financial sustainability and operational stability of Hawai'i's interisland shipping transportation sector. Our state depends on a reliable and efficient hub-and-spoke intrastate water carrier system to move goods, supplies, and essential resources between our island communities. Each aspect of the supply chain is vital to our state's economy. However, without a modernized regulatory framework, intrastate carriers of passengers and property are forced to navigate an outdated rate-setting process that does not timely account for inflationary pressures or the rising costs of operation. Establishing a Water Carrier Inflationary Cost Index Mechanism will provide much-needed predictability and transparency, allowing carriers to continue serving our island communities without disruption, and offers a more incremental approach to adjusting intrastate rates, helping local families and businesses absorb cost increases over time and ensuring that rates keep up with rising costs.

The Water Carrier Working Group, convened under Senate Resolution No. 125, SD1 (2020), has studied the challenges facing our interisland shipping sector and identified regulatory lag as a primary issue. The current ratemaking process does not facilitate rate adjustments in a timely manner, making it difficult to respond to rising costs and market fluctuations due to increased competition. This bill provides the Public Utilities Commission with the necessary flexibility and authority to grant waivers and adopt cost-adjustment mechanisms, ensuring that our interisland water carriers remain financially viable while continuing to provide safe, efficient, and affordable service to all businesses and residents. Without these changes, our supply chain will face increasing strain, potentially leading to service reductions and higher long-term costs for consumers.

Mahalo for the opportunity to testify in strong support of this bill.



### Officers

Kaipo Kekona  
State President

Christian Zuckerman  
Vice-President

Maureen Datta  
Secretary

Reba Lopez  
Treasurer

### Chapter Presidents

Kelii Gannet  
Kohala, Hawai'i

East Hawai'i

Puna, Hawai'i

Ka'u, Hawai'i

Maureen Datta  
Kona, Hawai'i

Gina Lind  
Hāna, Maui

Mason Scharer  
Haleakalā, Maui

Kaiea Medeiros  
Mauna Kahālāwai,  
Maui

Kaipo Kekona  
Lahaina, Maui

Kilia Avelino-Purdy  
Moloka'i

Negus Manna  
Lāna'i

India Clark  
North Shore, O'ahu

Christian Zuckerman  
Wai'anae, O'ahu

Rachel LaDrig  
Waimānalo, O'ahu

Vincent Kimura  
Honolulu, O'ahu

Natalie Urminska  
Kaua'i

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Commerce and Consumer Protection Committee,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU opposes SB2694.**

SB2694 poses a considerable threat to Hawaii's agricultural community by allowing the Public Utilities Commission (PUC) to implement automatic rate adjustments for water carriers, significantly reducing the effectiveness of public oversight and accountability. The ability for water carriers to automatically adjust rates based on economic indices could lead to unchecked increases in shipping costs, disproportionately impacting small and family-owned farms. These farms rely on consistent and affordable shipping to move their goods to market. By decreasing the interval for public testimony to once every three years, the bill effectively silences the voices of those who are the most vulnerable—undermining their capacity to advocate for fair rates and practices that are vital to their survival.

Moreover, the bill could exacerbate existing challenges in achieving regional food self-sufficiency by incentivizing large producers to seek private shipping solutions, leaving smaller farms to bear the brunt of rising costs. This shift could further stratify the agricultural sector, favoring big agribusiness at the expense of local, sustainable farming practices. It is imperative to maintain robust regulatory oversight to ensure the shipping sector supports, not hinders, Hawaii's agricultural goals. Without this oversight, Hawaii risks compromising its food security and the livelihoods of small-scale farmers who are integral to the state's cultural and economic fabric.

Mahalo for the opportunity to testify.

Hunter Heavilin  
Advocacy Director  
Hawai'i Farmers Union



**LATE**

*Japanese Chamber of Commerce & Industry of Hawaii*

February 17, 2026

Via Hawaii State Legislature Portal

Senate Committee on Commerce and Consumer Protection  
Senate Committee on Transportation  
State Capitol  
Honolulu, HI 96813

**ATTN: Testimony Submittal on SB2694**  
**Hearing: Wednesday, February 18, 2026**

Dear Chairs Keohokalole, Chair Inouye, Vice Chair Fukunaga, Vice Chair Elefante and Members of the Senate Committee on Commerce and Consumer Protection AND Members of the Senate Committee on Transportation:

I provide this testimony **IN OPPOSITION TO SB2694 RELATING TO WATER CARRIERS** on behalf of the Japanese Chamber of Commerce & Industry of Hawai'i (JCCIH). JCCIH's mission is "[t]o promote the well-being of our community through business and personal relationship" and we have been representing the interests of our 300+ business and individual members through education and advocacy. As President of JCCIH, our members prioritize Economic Development and Infrastructure, among other issues. One of JCCIH's priorities is:

***Infrastructure:***

*We support committing **financial investments** that address our island's current and future energy, waste management, water, transportation and broadband infrastructure.*

The proposed legislation seeks to establish a "water carrier inflationary cost index automatic adjustment mechanism for each water carrier of property" that will automatically adjust rates WITHOUT HEARING before the Public Utilities Commission ("PUC").

Our members have expressed the following concerns:

The automatic nature of the proposed inflation-based rate adjustment does not hold the regulated water carriers accountable to operate in an efficient and cost-effective manner. The application process before the PUC allows scrutiny and oversight that would be lost with an automatic price hike tied to inflation.

Pegging automatic increases to inflation does not make sense. Some of the major cost drivers may not necessarily move with inflation. Fuel cost is a major component of the cost of shipping. And that doesn't move with inflation. Labor costs are tied loosely to inflation, but it seems to be more aligned with whenever the carriers negotiate labor agreements with the unions. It seems that rate setting SHOULD depend in large part on the carriers' investment in physical assets (barges, etc) so that automatic increases in the rates would provide a larger return on physical assets for which expenditures have already been made than is justified.

We believe the current method of having water carriers apply for rate changes with the PUC will produce a more justifiable means of establishing rate adjustments. Allowing the current PUC application process to continue will also allow more public participation and scrutiny that should provide a level of accountability and transparency that will benefit all parties.

**We therefore OPPOSE this bill and urge the Committee to vote AGAINST SB2694.**

Mahalo for considering our testimony,



**Mitchell Dodo**

*President of the Japanese Chamber of Commerce & Industry of Hawai'i*

4082802v1



**LATE**

February 13, 2026

**RE: Supportive Testimony | WICI**

Aloha Chair, Vice Chair, and Committee Members,

Thank you for the opportunity to submit testimony in support of Bill XX, relating to Water Carriers, on behalf of DSR Logistics Company.

Ocean shipping provides the most cost-effective and reliable way for businesses to move goods to market, manage inventory, and operate efficiently across the islands. For companies that depend on interisland shipping to distribute products, the ability to more accurately forecast shipping rates would represent a significant and meaningful improvement.

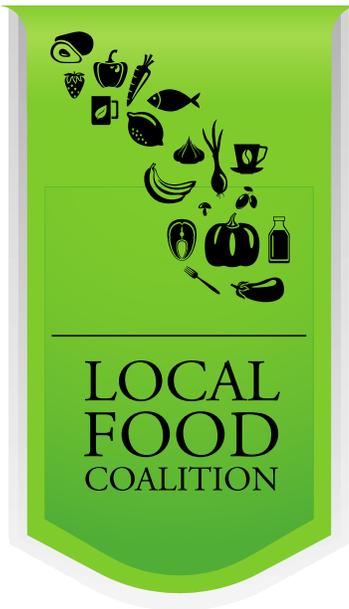
We support the proposed annual rate adjustment mechanism based on the Department of Transportation's existing framework for adjusting the fees shippers pay to maintain Hawai'i's ports. This approach would increase transparency and predictability in shipping rates, enabling businesses to better manage operating costs and maintain competitive pricing for customers.

Additionally, this framework would help preserve the strength and reliability of interisland shipping by promoting stability and regulatory efficiency, while allowing water carriers to operate in a financially sustainable manner.

Mahalo,



Erin Jefferson  
Senior Vice President  
DSR Logistics Company



**LATE**

SENATE COMMITTEE ON COMMERCE AND CONSUMER  
PROTECTION  
SENATE COMMITTEE ON TRANSPORTATION

Wednesday, February 18, 2026 – 9:45 a.m.  
Conference Room 229 & Videoconference

**SB 2694 – RELATING TO WATER CARRIERS**

**OPPOSE**

Hawai'i Aquaculture &  
Aquaponics Association  
Hawai'i Cattlemen's Council  
Hawai'i Farm Bureau  
Federation  
Hawai'i Farmers' Union  
United  
Hawai'i Food Industry  
Association  
Hawai'i Food  
Manufacturers Association  
Kohala Center  
Land Use Research  
Foundation of Hawai'i  
Maui Farm to School  
Network (Maui F2SN)  
Ulupono Initiative  
College of Tropical  
Agriculture and Human  
Resilience - University of  
Hawai'i at Manoa

Aloha Chairs Keohokalole and Inouye, Vice Chairs Fukunaga and  
Elefante, and Members of the Committees:

The Local Food Coalition respectfully opposes SB 2694.

Our statewide agricultural and food-system partners rely heavily on  
interisland shipping to move locally grown products to market. This  
measure would require the Public Utilities Commission to implement  
an **automatic** annual rate-adjustment mechanism tied to wharfage  
increases, with adjustments occurring every year for two years and a  
mandatory rate case in the third year. As written, this structure  
reduces meaningful public oversight and risks compounding shipping  
costs for farmers, ranchers, food hubs, and small processors.

Several concerns already raised in companion measure underscore  
risks may result in unnecessarily burdening customers with  
increasing rates and that past flexibility programs were misused,  
ultimately raising rates across all customers.

For Hawai'i's local food system, interisland shipping is not optional—  
it is the backbone of getting fresh, local products to market.  
Automatic rate increases, without a full review of cumulative impacts  
or carrier efficiency, risk undermining the very producers we are  
working to support.

The Local Food Coalition is an organization comprised of farmers,  
ranchers, livestock producers, investors, and other stakeholders  
united by a shared commitment to building a robust and self-sufficient  
food system for Hawai'i.

Thank you for the opportunity to submit testimony.

**SB-2694**

Submitted on: 2/16/2026 6:11:30 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Frank Guerrero	Individual	Support	In Person

Comments:

I strongly support Hawaii Senate Bill 2694, introduced by Lorraine Inouye and Rachele Fernandez Lamosao. This measure responsibly modernizes rate adjustment policies for water carriers, allowing them to address inflation while maintaining dependable and sustainable transportation services for Hawaii's communities.

My name is Steven Hunt, and I am submitting testimony **in support** of this measure in my capacity as the former Chair of the Hawai'i Water Carriers Working Group (HWCWG) small group on Rates. For context, the HWCWG small group on Rates was formed in late 2020, with the goal of coming up with recommendations that would support the sustainability and profitability of the water carrier, minimize the need for large adjustments between formal rate cases, and provide safeguards for consumers with respect to runaway or unreasonable automatic increases for the water carrier. I want to reiterate why our committee strongly advocated for the Water Carrier Inflationary Cost Index (WICI) mechanism, which was ultimately adopted as Recommendation No. 1 in the HWCWG Final Report.

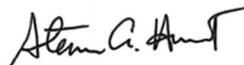
First, the current rate case method that's facilitated by the Hawai'i Public Utilities Commission tends to be slow, cumbersome, costly, and inefficient as the outcomes often result in large rate spikes that are necessary following extended periods without adjustment, rather than more contemporary incremental adjustments. Adhering to this current rate adjustment methodology discourages future capital investment, puts the water carrier at financial risk by having to incur unsustainable short-term debt to subsidize losses, and raises the ire of consumers that view these less frequent and large rate adjustments as being exorbitant.

Second, WICI is not meant to replace the general rate case process but rather provide a means for more timely, but limited, rate adjustments during the periods between burdensome and resource consuming rate cases. For example, keeping in mind that inflation could potentially be highly volatile, the small group on Rates recommended the annual rate adjustment have a cap of 5% to provide consumers with some level of price protection as well as hold the water carrier accountable for controlling their expenses.

Finally, as a safeguard for consumers against the potential for runaway automatic increases, the WICI mechanism also contemplated that rate cases would be *mandatory* at a consistent cadence (every third year) to reconcile any excessive adjustments *and* to account for costs and investments not covered by WICI.

As of 2025, it's clear that the concerns WICI was meant to address have not only persisted but have evolved, continuing to impact the industry. While I recognize that there have been many factors at play, it's worth considering whether earlier implementation of this recommendation might have helped mitigate some of the challenges the State's water carrier system is facing today.

Thank you for the opportunity to provide public comments on this issue.



Steven A, Hunt

**SB-2694**

Submitted on: 2/16/2026 10:52:26 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Melvin Dagdag	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 10:46:48 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chad Ah Puck	Individual	Support	Written Testimony Only

Comments:

i strongly support SB2694

**SB-2694**

Submitted on: 2/16/2026 11:00:22 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kinsleykim kahumoku	Individual	Support	Written Testimony Only

Comments:

Strong support

**SB-2694**

Submitted on: 2/16/2026 11:06:51 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
David Kauhane	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill.

**SB-2694**

Submitted on: 2/16/2026 11:09:28 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
warren serikaku	Individual	Support	Written Testimony Only

Comments:

I strongly support bill SB2694

**SB-2694**

Submitted on: 2/16/2026 11:13:01 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Daniel t Pajimola	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/16/2026 11:15:40 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Freline Pajimola	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/16/2026 11:15:50 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kimberly Gerhardt	Individual	Support	Written Testimony Only

Comments:

I highly support this bill. I feel Young Brothers is an essential lifeline for our state.

**SB-2694**

Submitted on: 2/16/2026 11:23:40 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Norman K Kaaihue III	Individual	Support	Written Testimony Only

Comments:

I support this bill

**SB-2694**

Submitted on: 2/16/2026 11:36:04 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lance Tsubota	Individual	Support	Written Testimony Only

Comments:

I am in strong support of bill sb2694.

**SB-2694**

Submitted on: 2/16/2026 7:24:15 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Camelot Kaina	Individual	Support	Written Testimony Only

Comments:

SB2694

**SB-2694**

Submitted on: 2/16/2026 11:29:34 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
dianna kalamau	Individual	Support	Written Testimony Only

Comments:

in strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 12:01:49 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Randy Pacheco	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2694. It is imperative that we maintain a sustainable maritime shipping service between the islands. Communities state wide depend on this service for goods and services that maintain essential needs for survival. I am in favor of granting Yound Brothers the ability to adjust costs as needed to maintain this service. Therefore I strongly support SB2696

**SB-2694**

Submitted on: 2/16/2026 12:31:39 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tyana Yamamoto	Individual	Support	Written Testimony Only

Comments:

in STRONG SUPPORT of SB2694

**SB-2694**

Submitted on: 2/16/2026 12:57:55 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Gregory Silva	Individual	Support	Written Testimony Only

Comments:

In Strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 1:09:21 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Leesha Beimes	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 1:02:50 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jeremy Hatori	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 4:12:13 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mahealani Gillia	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 4:23:32 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Casie Fuentes	Individual	Support	Written Testimony Only

Comments:

I am Casie Fuentes from Waipahu & I am an employee of Young Brothers. I strongly support SB2694.

**SB-2694**

Submitted on: 2/16/2026 4:38:41 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Adam Gonzalez	Individual	Support	Written Testimony Only

Comments:

My name is Adam Gonzalez, a resident of the island of Maui. I work for S & I Equipment Rentals. I strongly support SB2694. Young Brothers has always been a reliable service that helps us ship equipment to our customers. Overall, I feel its best for the State of Hawaii to consider this request.

**SB-2694**

Submitted on: 2/16/2026 4:23:58 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Alisa Yap Okunami	Individual	Support	Written Testimony Only

Comments:

I am a 20+ year employee of Young Brothers and I strongly support bill SB2694. YB has struggled throughout the years having to file for rate increases with the PUC, as the process is so lengthy, especially with the pandemic and other things that happened that caused financial troubles out of the company's control. Please seriously consider voting in favor of SB2694.

**SB-2694**

Submitted on: 2/16/2026 4:54:45 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Royale Komomua Jr	Individual	Support	Written Testimony Only

Comments:

I live in kahala and I am in strong support of this bill.

**SB-2694**

Submitted on: 2/16/2026 4:58:37 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chayce Kaaua	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 5:04:02 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Korin Medeiros	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/16/2026 5:04:24 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kaylah Vioria	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 5:08:27 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Franklin Yap	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 so Young Brothers will not be forced to submit a request for a rate increase with the PUC for rate increases of 5%.

**SB-2694**

Submitted on: 2/16/2026 5:04:38 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kiana Mojica-Pomroy	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 5:31:04 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Spencer Kurihara	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 5:34:39 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kelly-Anne Aipa	Individual	Support	Written Testimony Only

Comments:

My name is Kelly Anne Tausaga, I live in Maili, Hawaii, I work at Young Brothers LLC and I Strongly Support SB2694

**SB-2694**

Submitted on: 2/16/2026 5:44:12 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Seene Tausaga	Individual	Support	Written Testimony Only

Comments:

My name is Seene Tausaga, I live in Maili Hawaii, I Strongly Support SB2694

**SB-2694**

Submitted on: 2/16/2026 5:47:06 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Joyce Oshiro	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 5:48:41 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Linda Aipa	Individual	Support	Written Testimony Only

Comments:

My name is Linda Aipa. I live on the Westside of Oahu. I Strongly Support SB2694

**SB-2694**

Submitted on: 2/16/2026 5:52:42 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Anuheia Aipa	Individual	Support	Written Testimony Only

Comments:

My name is Anuheia Aipa, I live in Maili Hawaii and I Strongly Support SB2694

**SB-2694**

Submitted on: 2/16/2026 6:25:58 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shawna Rapoza	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 6:16:29 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Henry Agbayani	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 6:31:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Robert Suliman	Individual	Support	Written Testimony Only

Comments:

I believe we need to adjust to help with us all living on an island to help everyone involved with transporting all types of goods at fair prices to keep us happy for are islands Ohana thank you

**SB-2694**

Submitted on: 2/16/2026 6:33:33 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kenworth k Meyers	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill sb2694

**SB-2694**

Submitted on: 2/16/2026 6:37:34 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jason Lam	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2694 as I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 6:42:39 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Bruce J. Alcaraz	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 6:43:21 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ryan Lau	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 6:45:48 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Reggie Kealoha	Individual	Support	Written Testimony Only

Comments:

I strongly support sb2694.

**SB-2694**

Submitted on: 2/16/2026 6:47:55 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aaron Lum	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Inouye, Vice Chair, and members of the Committees:

My name is Aaron, and I am a resident of Mililani Town, Oahu. I strongly support SB2694.

Hawaii’s inter-island shipping is vital for delivering essential goods like food, fuel, and supplies. Current rate processes cause regulatory lag, delaying carriers’ ability to recover rising costs from inflation, harbor fees, and other factors. This can lead to service disruptions and higher prices for residents and businesses.

SB2694 helps by:

- Requiring the PUC to create an automatic inflationary cost index mechanism (tied to state wharfage rates, capped at 5% annually) by July 1, 2026.
- Allowing broader automatic adjustments to address economic pressures.
- Providing PUC flexibility to waive requirements when appropriate.
- Ensuring balanced oversight with a three-year cycle including full rate reviews.

These changes promote reliable, stable shipping while protecting consumers through caps and periodic reviews.

Please pass SB2694 to support Hawaii’s economic resilience and inter-island connectivity.

Mahalo for your consideration. I am available for questions.

Sincerely,

Aaron

**SB-2694**

Submitted on: 2/16/2026 7:03:58 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ikaika Curnan	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**SB-2694**

Submitted on: 2/16/2026 7:04:45 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Robert Decker	Individual	Support	Written Testimony Only

Comments:

Strong support for this Bill.

Its not fair for the outer-island communities to have to adjust to a high percentage increase ever 3 years. When water carriers could do small nessessary increases every year without spending \$millions on rate cases.

Mahalo!

**SB-2694**

Submitted on: 2/16/2026 7:07:53 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Craig Iwaishi	Individual	Support	Written Testimony Only

Comments:

In support of SB2694

**SB-2694**

Submitted on: 2/16/2026 7:15:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Crispulo Aki	Individual	Support	Written Testimony Only

Comments:

Strongly support SB 2694

**SB-2694**

Submitted on: 2/16/2026 7:16:44 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Celeste Magaoay	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT

**SB-2694**

Submitted on: 2/16/2026 7:16:58 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Noland Fernandez	Individual	Support	Written Testimony Only

Comments:

Strong support

**SB-2694**

Submitted on: 2/16/2026 7:16:47 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lucky Laureano	Individual	Support	Written Testimony Only

Comments:

Strongly Agree and Support

**SB-2694**

Submitted on: 2/16/2026 7:27:34 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Peter Morishige	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 7:35:15 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
John Madamba	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it will benefit our communities, strengthen essential services, and protect those who really depend on them. I urge lawmakers to pass the SN2694.

**SB-2694**

Submitted on: 2/16/2026 7:41:33 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dallas Moku	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/16/2026 7:43:09 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dustin Akita	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/16/2026 7:47:24 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chad Alvaro	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 8:11:06 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Darrin Manu	Individual	Support	Written Testimony Only

Comments:

I support sb2694

**SB-2694**

Submitted on: 2/16/2026 8:20:59 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Stanley Valencia	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because it benefits our community, strengthens essential services, and protects those who depend on them. This measure will create positive impacts for families and workers alike. I urge lawmakers to pass SB2694 for the good of our community.

**SB-2694**

Submitted on: 2/16/2026 8:43:13 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Greg Amby	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2694. I am from a community that relies heavily on Young Brothers company sustainability and affordability is of utmost concern. Passage of this bill would insure outer island communities a livelihood and commerce. It is a lifeline service that we need to ensure it stays solvent.

please pass SB2694,

Greg B. Amby

**SB-2694**

Submitted on: 2/16/2026 9:00:43 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jesse Andrade	Individual	Support	Written Testimony Only

Comments:

I submit this testimony in strong support of SB2694.

Young Brothers is the backbone of Hawai'i's interisland supply chain. It is not an optional service, but a necessity that is not easily replaced. It is the lifeline that ensures food reaches grocery stores, medical supplies reaches hospitals, construction materials reach job sites, and essential goods reach families across every island. For neighbor island communities in particular, the stability of this service directly impacts cost of living, business continuity, and public health.

I speak not only as a concerned citizen, but as a member of the Water Carrier Working Group that carefully studied this issue and recommended the implementation of WICI. Our Final Report was formally submitted to the Governor's Office on December 27, 2021, for distribution to the Legislature.

I firmly believe that if WICI had been implemented at the time it was originally recommended, the water carrier's current financial position would be significantly stronger. In fact, there is a strong likelihood that the substantial rate increase could have been avoided altogether.

This bill is a positive step toward updating the regulatory framework and creating stability for both the water carrier and the communities it serves. I urge you to support SB2694. Thank you for the opportunity to testify.

Mahalo,

Jesse Andrade

**SB-2694**

Submitted on: 2/16/2026 9:04:59 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James Cacal	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/16/2026 8:30:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jaime Mikilani Kamelamela-Amby	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because I would rather pay a steady and known price increase so I can plan for additional expenses year after year. But when the PUC waits years to give YB a big 25% increase, that is a huge hardship. We all know how hard it is to operate a sustainable business in Hawaii. We all need and rely on each other. In Hawaii we all depend on each other. When one goes down there is significant impact to all.

If YB Mgmt. is such a concern, then attach a mandatory business report every quarter to ensure accountability.

Mahalo,

Jaime M. Kamelamela-Amby

**SB-2694**

Submitted on: 2/16/2026 10:10:17 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tiana Catekista	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694. It will allow for gradual, smaller rate increases (if any) -vs- a large rate increase all at one time ~ which helps both the carrier & consumer.

**SB-2694**

Submitted on: 2/16/2026 10:24:37 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jeannine Ho	Individual	Support	Written Testimony Only

Comments:

IN STRONG SUPPORT OF SB2694

**SB-2694**

Submitted on: 2/16/2026 8:30:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jaime Mikilani Kamelamela-Amby	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694 because I would rather pay a steady and known price increase so I can plan for additional expenses year after year. But when the PUC waits years to give YB a big 25% increase, that is a huge hardship. We all know how hard it is to operate a sustainable business in Hawaii. We all need and rely on each other. In Hawaii we all depend on each other. When one goes down there is significant impact to all.

If YB Mgmt. is such a concern, then attach a mandatory business report every quarter to ensure accountability.

Mahalo,

Jaime M. Kamelamela-Amby

**SB-2694**

Submitted on: 2/17/2026 5:32:09 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mikel Jay Fojas	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**SB-2694**

Submitted on: 2/17/2026 5:19:58 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Philip Guerrero	Individual	Support	Written Testimony Only

Comments:

I Philip Guerrero believe and strongly support SB2694 as young brothers plays a key role in the future and development in keeping Hawaii sustainable, keeping tourism thriving, and last but not least adds to the economy of Hawaii.

**SB-2694**

Submitted on: 2/17/2026 6:03:15 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jonathan Kaaihue	Individual	Support	Written Testimony Only

Comments:

I am in strong support of this bill

**SB-2694**

Submitted on: 2/17/2026 6:18:30 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Roland Rodrigues	Individual	Support	Written Testimony Only

Comments:

in strong support of SB2694

**SB-2694**

Submitted on: 2/17/2026 6:47:09 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ronelle DeMotta	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT

**SB-2694**

Submitted on: 2/17/2026 7:07:44 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cameron Hart	Individual	Support	Written Testimony Only

Comments:

Strong Support

**SB-2694**

Submitted on: 2/17/2026 7:40:01 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shawne Uyetake	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**SB-2694**

Submitted on: 2/17/2026 7:42:26 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Garrett Uyetake	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694. Thank you

**SB-2694**

Submitted on: 2/17/2026 7:43:43 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aukai Baybayan	Individual	Support	Written Testimony Only

Comments:

I strongly support the Senate Bill 2694. The interisland shipping company is the lifeline to our smaller local communities. I myself have many family members on Lanai and Molokai, and they are always worried of losing the local shipping company or even the thought of a temporary shutdown. Although the cost of living in Hawaii is already expensive, not having our life necessity's is a greater fear for our rural communities. And so forth I greatly support SB2694!

**SB-2694**

Submitted on: 2/17/2026 7:54:28 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tanya Kaaihue	Individual	Support	Written Testimony Only

Comments:

I am in strong support of this bill

**SB-2694**

Submitted on: 2/17/2026 8:07:03 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Daylan Saniatan	Individual	Support	Written Testimony Only

Comments:

I am in strong support of this bill

**SB-2694**

Submitted on: 2/17/2026 8:17:24 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Charles long	Individual	Support	Written Testimony Only

Comments:

In Strong support.

**SB-2694**

Submitted on: 2/17/2026 6:03:15 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jonathan Kaaihue	Individual	Support	Written Testimony Only

Comments:

I am in strong support of this bill

**SB-2694**

Submitted on: 2/17/2026 8:28:38 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jason Langtad	Individual	Support	Written Testimony Only

Comments:

I Jason Langtad strongly support SB 2694

**SB-2694**

Submitted on: 2/17/2026 8:43:00 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kurt Momohara	Individual	Support	Written Testimony Only

Comments:

In strong support of SB-2694

**SB-2694**

Submitted on: 2/17/2026 9:15:20 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Scott Kekua	Individual	Support	Written Testimony Only

Comments:

In Strong Support of SB2694

**SB-2694**

Submitted on: 2/17/2026 9:16:36 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Keith Marugame	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**SB-2694**

Submitted on: 2/17/2026 9:24:17 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kylee Lambert	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/17/2026 9:26:30 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Craig Pruse	Individual	Support	Written Testimony Only

Comments:

Strongly support bill sb2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:45:54 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Wanette Souza	Individual	Support	Written Testimony Only

Comments:

I strongly support bill SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 10:22:20 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
destiny akita	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 10:26:36 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Eric Yamanaka	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 10:29:49 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Manuel Silva	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 10:32:10 AM  
Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carl Cook	Individual	Support	Written Testimony Only

Comments:

To Whom it may concern,

My name is Carl Cook, and I am a resident of Honolulu, Hawaii. I am writing in strong support of SB 2694.

This measure is an important step toward strengthening our communities and ensuring a more equitable and sustainable future for Hawai‘i. SB 2694 demonstrates a thoughtful and proactive approach to one of the pressing challenges facing our state.

The impacts of this issue are deeply felt across our islands. Families, local businesses, and future generations all stand to benefit from the protections and improvements this bill would provide. Supporting this measure reflects Hawai‘i’s core values of mālama ‘āina, kuleana, and caring for one another.

I respectfully urge you to pass SB 2694 and continue prioritizing policies that uplift our communities and safeguard our shared future.

Thank you for the opportunity to provide testimony.

Sincerely,

Carl Cook



**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:02:56 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mike Sullivan	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:17:29 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ronald Rapanot III	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:20:53 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
WANDA TSUKIYAMA	Individual	Support	Written Testimony Only

Comments:

IN STRONG SUPPORT OF SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:29:05 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Patrick Kekua	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:41:48 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
corey	Individual	Support	Written Testimony Only

Comments:

I am in full support on this bill sb2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 12:05:33 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aaron domingcil	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 12:13:10 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Justin Silva	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 12:19:08 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Marlo Medeiros	Individual	Support	Written Testimony Only

Comments:

In Strong Support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 12:23:05 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jameson Smith	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 12:23:29 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Bron Dela Cruz	Individual	Support	Written Testimony Only

Comments:

In strong support of sb2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 1:15:06 PM  
Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kekoa Amby	Individual	Support	Written Testimony Only

Comments:

Aloha, to whom it may concern, in Hawai'i we are concerned about food insecurity and food affordability. Especially being from the outer islands. We rely heavily on Young Brothers and we need to insure that they stay in business. I strongly support SB2694.

Mahalo,

Kekoa Amby

**LATE**

**SB-2694**

Submitted on: 2/17/2026 2:35:08 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Grayson Gonsalves	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 2:39:40 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mel Rapozo	Individual	Support	Written Testimony Only

Comments:

My name is Mel Rapozo, and I am submitting testimony in strong support of this measure.

I want to emphasize why the Water Carrier Inflationary Cost Index (WICI) mechanism is both necessary and timely.

Under the current rate case process administered by the Hawai'i Public Utilities Commission, adjustments tend to be slow, cumbersome, costly, and inefficient. Because rates often go unchanged for extended periods, the eventual adjustments can be significant and abrupt. These large increases create financial strain on consumers and uncertainty for the water carrier. At the same time, this outdated structure discourages capital investment and can force the carrier to rely on unsustainable short-term debt just to remain operational. That is not a stable or responsible path forward.

WICI was never intended to replace the formal rate case process. Instead, it was designed to provide a practical and balanced solution between rate cases. It allows for more timely, incremental adjustments while placing reasonable limits on increases. The recommended annual cap of 5 percent ensures consumer protection and requires the water carrier to maintain fiscal discipline and control costs.

Equally important, WICI includes safeguards. A mandatory rate case every third year would reconcile any excessive adjustments and address costs or investments not covered under the index. This ensures transparency, accountability, and fairness.

This measure is especially important for those of us who live on the neighbor islands. Our communities rely heavily on the interisland transport of essential goods, including fuel, construction materials, food supplies, and everyday necessities. When rate spikes occur, those costs are ultimately passed down to residents and small businesses on islands like Kaua'i, Maui, and Hawai'i Island, where the cost of living is already significantly higher. A more predictable and incremental rate structure helps stabilize the supply chain, supports local businesses, and protects families from sudden increases that disproportionately impact neighbor island communities.

As we look at the challenges facing the State's water carrier system today, it is clear that the concerns this mechanism was meant to address have not gone away. In fact, they have

intensified. It is worth asking whether earlier implementation might have helped prevent some of the financial and operational pressures we are now experiencing.

Thank you for the opportunity to submit testimony on this important issue.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 3:33:23 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Anthony Sanchez	Individual	Support	Written Testimony Only

Comments:

IN STRONGER SUPPORT OF SB2694

**SB-2694**

Submitted on: 2/17/2026 3:37:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mackey Rivera	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Mackey Rivera and I strongly support bill SB2694. This bill will ensure that YB will be able to continue to serve our islands for years to come.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 3:41:49 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Guyes Galdeira	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill for the people of Hawaii and the company to sustain itself for the future.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 3:45:56 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Christian McKee	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill

**LATE**

**SB-2694**

Submitted on: 2/17/2026 3:57:33 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kenneth Risso	Individual	Support	Written Testimony Only

Comments:

I'm strongly in support of HB2694 Due to the rising costs of fuel, oils, parts and operating costs.  
I do support this bill.  
thank you.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:02:00 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nalu Meyers	Individual	Support	Written Testimony Only

Comments:

In Strong support of SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:06:03 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Herman Amaral	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 2694. This bill is an important tool that helps us provide the necessary services to our community, businesses, and families that rely on our important services we provide in the islands. My name is Herman Amaral and I strongly support SB2994. Thank you

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:11:30 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Randilyn Kawachi Livingston	Individual	Support	Written Testimony Only

Comments:

Support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:14:19 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jacob Planas	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:19:04 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nadine Yingst	Individual	Support	Written Testimony Only

Comments:

In full support of SB2694!

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:21:34 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Macathur jr Dela cruz	Individual	Support	Written Testimony Only

Comments:

Strong support

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:21:44 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Karl Alison	Individual	Support	Written Testimony Only

Comments:

In Strong Support of SB2694!!!

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:36:48 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lachelle Souza	Individual	Support	Written Testimony Only

Comments:

Aloha, I am a first time new mother who relies on my fiancé's job benefits to financially support us living in Hawaii. Being able to stay at home full time, I'm able to care for our daughter while saving money on things like gas & daycare. Part of his benefits covered healthcare for our daughter as well as my hospital stay when I gave birth. When we go in for doctors appointments we have no copay or billl afterwards. This helps us focus our finances in areas that are needed like our house & car expenses . I am very grateful for him having this position and can't express enough how much we rely on it.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:44:06 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Royden DeMotta	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 4:50:36 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dane Rivera	Individual	Support	Written Testimony Only

Comments:

In strong support of Sb2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:04:21 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Robyn Miyashiro	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:05:25 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Heather Mendonsa	Individual	Support	Written Testimony Only

Comments:

I strongly submit my support of this bill

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:09:47 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kimberly Momohara	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:14:23 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Robbyn Silva	Individual	Support	Written Testimony Only

Comments:

I strongly support bill# SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:47:18 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jolynn Dean	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/17/2026 5:48:53 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nichole Arce-Aricayos	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694!

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:53:31 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jyen Akima	Individual	Support	Written Testimony Only

Comments:

In strong support for SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:56:22 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rachel DeMotta	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:58:37 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cy Chong	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 5:59:19 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kimberly Rivera	Individual	Support	Written Testimony Only

Comments:

In STRONG SUPPORT of SB2694

Mahalo!

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:14:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Callie Racelo	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:15:44 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kiara Furutani	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:25:30 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dennis Jacintho	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:27:57 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Conrad Racelo	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**SB-2694**

Submitted on: 2/17/2026 6:39:14 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Monica	Individual	Support	Written Testimony Only

Comments:

I support the bill

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:49:22 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Damien K Soares	Individual	Support	Written Testimony Only

Comments:

I am in full support of this bill

**LATE**

**SB-2694**

Submitted on: 2/17/2026 6:54:23 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Geraldine Hirakawa	Individual	Support	Written Testimony Only

Comments:

I SUPPORT THE BILL

**LATE**

**SB-2694**

Submitted on: 2/17/2026 7:18:19 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Stevie Yates	Individual	Support	Written Testimony Only

Comments:

My name is Stevie Yates. I have been born and raised in Makakilo. I have benefited from Young Brothers for over 25 years as my mom has been an employee of Young Brothers for over 25 years. I am in strong support of this bill and firmly believe this will be a great benefit to Young Brothers and their future.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 7:36:48 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maleia Awana	Individual	Support	Written Testimony Only

Comments:

I am Strongly in support of Bill SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 7:48:32 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jaydee Chung	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 7:50:29 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kainoa Saniatan	Individual	Support	Written Testimony Only

Comments:

I am in support for SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 7:50:46 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Koali Nishigaya	Individual	Support	Written Testimony Only

Comments:

I am in strong support of bill SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 8:23:21 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kyle Robertson	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 8:57:10 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maria Dowler	Individual	Support	Written Testimony Only

Comments:

Strongly support.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 8:58:31 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Noah Stalcup	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:01:35 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Peter Ahana	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:10:12 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Joseph Razon	Individual	Support	Written Testimony Only

Comments:

Strongly support.

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:10:48 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Saige DeMotta	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:11:08 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Corinna Cadiz	Individual	Support	Written Testimony Only

Comments:

Strong support

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:13:20 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Radford DeMotta	Individual	Support	Written Testimony Only

Comments:

Strong support

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:19:00 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kristy Bragado	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:13:44 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jon Bragado	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:19:09 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Everette Oshiro	Individual	Support	Written Testimony Only

Comments:

I personally highly support SB2694. They should be able to keep up with inflation and not have such large raise of rates at one time..... A gradual, small incremental rate increase over time is much easier for the public to deal with and sustain their business .

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:24:47 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jenny Alboro	Individual	Support	Written Testimony Only

Comments:

I strongly support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:33:54 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Alparadise	Individual	Support	Written Testimony Only

Comments:

I Strongly Support SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:50:01 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chloe Eskaran-Alboro	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:50:18 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kyler Alboro	Individual	Support	Written Testimony Only

Comments:

In strong support of sb2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 9:52:38 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Pukanala Llanes	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

My name is Pukanala Llanes, and I am writing in strong support of SB 2694 in support of our hardworking stevedores here in Hawai'i.

Living in the islands, we all know how much we depend on our ports. Nearly everything we use each day arrives by ship. Food for our families, materials to build homes, supplies for our hospitals, and goods that keep our small businesses running all come through our harbors. Our stevedores are the ones who make sure those shipments are unloaded safely and efficiently.

Their work is physically demanding and often done in tough conditions, yet they show up every day to keep Hawai'i moving. When our ports run smoothly, our communities stay strong. Supporting our stevedores means supporting local families, supporting jobs, and supporting the stability of our island economy.

SB 2694 recognizes the essential role these workers play in our state. Taking care of the people who keep our supply chain running is simply the right thing to do for Hawai'i.

I respectfully urge you to pass SB 2694 and stand with our stevedores.

Mahalo,

Pukanala Llanes



**LATE**

**SB-2694**

Submitted on: 2/17/2026 10:31:05 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
George Keala	Individual	Support	Written Testimony Only

Comments:

In strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:13:56 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michael Rivera	Individual	Support	Written Testimony Only

Comments:

I am in strong support of bill SB2694

**LATE**

**SB-2694**

Submitted on: 2/17/2026 11:41:54 PM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kapua	Individual	Support	Written Testimony Only

Comments:

In STRONG support of bill SB2694

**LATE**

**SB-2694**

Submitted on: 2/18/2026 5:10:43 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Nalani Waiholua-Rodrigues	Individual	Support	Written Testimony Only

Comments:

I am in strong support of the above bill SB2694

**LATE**

**SB-2694**

Submitted on: 2/18/2026 5:12:54 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Roxanne	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/18/2026 7:11:05 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Lowen Moses	Individual	Support	Written Testimony Only

Comments:

I'm inn strong support of SB2694

**LATE**

**SB-2694**

Submitted on: 2/18/2026 7:54:35 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dolores Elizares	Individual	Support	Written Testimony Only

Comments:

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

My name is Lolly Elizares, and I am a resident of Hawaii Island. I write in strong support of SB2694, which amends the Hawai'i Water Carrier Act to authorize the Hawaii Public Utilities Commission to establish an automatic inflationary cost adjustment mechanism for regulated water carriers.

SB2694 provides a practical and balanced solution to a real economic challenge. Water carriers that transport cargo and passengers between our islands operate in a highly cost-sensitive environment. Inflationary pressures—particularly increases in terminal and wharfage fees set by the Hawaii Department of Transportation—can significantly affect operational expenses. Without a streamlined adjustment mechanism, carriers must wait for formal rate cases, which can be time-consuming and costly for both the carriers and the Commission.

By allowing the PUC to implement a structured “water carrier inflationary cost index automatic adjustment mechanism,” this measure improves regulatory efficiency while maintaining oversight. Importantly, SB2694 includes a 5% annual cap on rate increases, ensuring that any adjustments remain reasonable and predictable for consumers and businesses that rely on interisland shipping.

Hawai'i's island economy depends heavily on water transportation for goods, food, construction materials, and essential supplies. Creating a transparent and limited adjustment process helps maintain reliable service, protects economic stability, and reduces administrative burdens—without eliminating regulatory safeguards.

For these reasons, I respectfully urge the Committee to pass SB2694.

Mahalo for the opportunity to provide testimony.

**LATE**

**SB-2694**

Submitted on: 2/18/2026 8:23:39 AM

Testimony for CPN on 2/18/2026 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
David Dutro	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill and hope that the majority will vote to pass. Aloha.