

JAN 25 2012

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## SENATE RESOLUTION

REQUESTING CONGRESS TO EXEMPT HAWAII, ALASKA, GUAM, AND PUERTO RICO FROM THE JONES ACT FOR THE HEALTH, SAFETY, AND SECURITY OF THEIR RESIDENTS..

1           WHEREAS, historically the United States has sought to  
2 protect its shipping industry through carbotage laws, such as  
3 the Merchant Marine Act of 1920, commonly known as the Jones  
4 Act; and

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6           WHEREAS, the Jones Act strictly limits the shipping of  
7 merchandise between the United States and its territories to  
8 American-built and registered ships crewed by United States  
9 citizens; and

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11           WHEREAS, eighty per cent of the goods consumed in Hawaii  
12 are imported from the mainland or foreign countries, and ninety-  
13 eight per cent of these goods come by ship; and

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15           WHEREAS, while transpacific shipping costs are some of the  
16 lowest in the world, especially from the United States to Asia,  
17 the freight rates between the mainland and Hawaii are some of  
18 the highest; and

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20           WHEREAS, much of the high cost of living in Hawaii can be  
21 attributed to unnecessarily high shipping costs caused by the  
22 Jones Act; and

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24           WHEREAS, such excess costs present an immense and unfair  
25 burden on the people of Hawaii; and

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27           WHEREAS, Congress has already recognized the unique aspects  
28 of the Pacific region and the excessive burdens placed on it by  
29 the Jones Act when it exempted the Northern Marianas and  
30 American Samoa from the applicability of the Jones Act; and

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32           WHEREAS, Alaska, Guam, and Puerto Rico are also heavily  
33 dependent on the shipping industry and endure similar hardships  
34 as a result of the restrictions of the Jones Act; and  
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1           WHEREAS, the almost total dependence on sea freight  
2 services makes the economies of Hawaii, Alaska, Guam, and Puerto  
3 Rico extremely sensitive to even minor restrictions or  
4 disruptions in transportation; and

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6           WHEREAS, any disruption in the delivery of oil, food, or  
7 other vital goods would severely threaten the health, safety,  
8 and security of residents in Hawaii, Alaska, Guam, and Puerto  
9 Rico, as well as visitors to these destinations; and

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11           WHEREAS, an exemption from the Jones Act would protect the  
12 collective health, safety, and security of the people of Hawaii,  
13 Alaska, Guam, and Puerto Rico; and

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15           WHEREAS, there are no ocean-going livestock carriers in the  
16 Jones Act fleet, and the approximately one-hundred and sixty  
17 livestock carriers comprising the world fleet are registered in  
18 other nations; and

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20           WHEREAS, the currently available waterborne transportation  
21 aboard container ships are not inherently well-suited for large-  
22 scale movement of livestock, thereby restricting the development  
23 of the Hawaii beef cattle industry; and

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25           WHEREAS, allowing foreign shippers to participate in the  
26 United States mainland trade to Hawaii, Alaska, Guam, and Puerto  
27 Rico would protect the health, safety, and security of the State  
28 and territorial residents therein, and would also foster  
29 shipping competition which will result in economic benefit to  
30 consumers; now, therefore,

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32           BE IT RESOLVED by the Senate of the Twenty-sixth  
33 Legislature of the State of Hawaii, Regular Session of 2012,  
34 that this body respectfully requests the Congress of the United  
35 States to pass legislation granting an exemption from the Jones  
36 Act to Hawaii, Alaska, Guam, and Puerto Rico; and

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38           BE IT FURTHER RESOLVED that the Hawaii State Senate  
39 respectfully requests the President of the United States and his  
40 administration to support the congressional legislation  
41 requested herein; and  
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# S.R. NO. 11

1 BE IT FURTHER RESOLVED that Hawaii's congressional  
2 delegation is urged to request Congress to exempt Hawaii,  
3 Alaska, Guam, and Puerto Rico from the Jones Act; and  
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5 BE IT FURTHER RESOLVED that certified copies of this  
6 Resolution be transmitted to the President of the United States,  
7 the President of the United States Senate, the Speaker of the  
8 United States House of Representatives, the Secretary of the  
9 United States Department of Transportation, and to members of  
10 Hawaii's congressional delegation.  
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OFFERED BY: \_\_\_\_\_

