### A BILL FOR AN ACT

RELATING TO MOORING LINES.

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

- 1 SECTION 1. The legislature finds that the Hawaiian
- 2 archipelago is the most remote island chain in the world, where
- 3 ninety-eight per cent of all goods are processed by the harbor
- 4 system. Tugs are vital to Hawaii's shipping industry, as tugs
- 5 bring in tens of thousands of goods to the State each day. To
- 6 properly secure shipping vessels to wharves, mooring lines are
- 7 thrown over the bollard, which are then secured by certified
- 8 longshore linespersons to safely secure the bulkhead.
- 9 The legislature also finds that, presently, it is not
- 10 required for any out-of-state company to utilize trained local
- 11 longshore linespersons to secure their operational vessel to the
- 12 State's commercial docks, wharves, piers, quays, bulkheads, and
- 13 landings belonging to or controlled by the State, leading to
- 14 lower contributions to Hawaii's tax base. Moreover, this
- 15 practice decreases the number of Hawaii-based jobs for
- 16 residents. In 2022, the State lost \$1.5 million in all related
- 17 taxes by barges that did not utilize Hawaii-based labor.

| 1  | The legislature further finds that all stevedoring               |
|----|--|
| 2  | companies operating within the state harbor system are required  |
| 3  | to be certified and recertified to follow all health and safety  |
| 4  | guidelines. Stevedoring companies are crucial to the State's     |
| 5  | harbors infrastructure, as companies received proper training or |
| 6  | identification, notification, and containment of invasive        |
| 7  | species, hazardous materials, and other potential health and     |
| 8  | safety threats to Hawaii's fragile ecosystem. Furthermore,       |
| 9  | stevedoring companies are well-versed in the uniqueness of each  |
| 10 | state harbor's challenges pertaining to the loading and landing  |
| 11 | of merchandise.  |
| 12 | Therefore, the purpose of this Act is to require                 |
| 13 | commodities and manifested cargo requiring tug assistance to be  |
| 14 | manned by an existing, operational stevedoring company that is   |
| 15 | currently operating in the State.                                |
| 16 | SECTION 2. Section 266-2, Hawaii Revised Statutes, is            |
| 17 | amended by amending subsection (a) to read as follows:           |
| 18 | "(a) The department of transportation shall:                     |
| 19 | (1) Have and exercise all the powers and shall perform all       |
| 20 | the duties [which] that may lawfully be exercised by             |

or under the State relative to the control and

21

| 1  |     | management of commercial harbors, commercial harbor    |
|----|-----|--|
| 2  |     | and waterfront improvements, ports, docks, wharves,    |
| 3  |     | piers, quays, bulkheads, and landings belonging to or  |
| 4  |     | controlled by the State, and the shipping using the    |
| 5  |     | same;  |
| 6  | (2) | Have the authority to use and permit and regulate the  |
| 7  |     | use of the commercial docks, wharves, piers, quays,    |
| 8  |     | bulkheads, [and] landings belonging to or controlled   |
| 9  |     | by the State for receiving or discharging passengers   |
| 10 |     | and for loading and landing merchandise, and           |
| 11 |     | commodities and manifested cargo manned by an          |
| 12 |     | existing, operational stevedoring company that is      |
| 13 |     | operating within the State requiring tug assistance,   |
| 14 |     | with a right to collect wharfage and demurrage thereon |
| 15 |     | or therefor;   |
| 16 | (3) | Subject to all applicable provisions of law, have the  |
| 17 |     | power to fix and regulate from time to time rates and  |
| 18 |     | charges for:   |
| 19 |     | (A) Services rendered in mooring commercial vessels;   |
| 20 |     | (B) The use of commercial moorings belonging to or     |
| 21 |     | controlled by the State;                               |

| 1  |           | (C) Wharfage or demurrage;                              |
|----|-----------|---|
| 2  |           | (D) Warehouse space, office space, and storage space    |
| 3  |           | for freight, goods, wares and merchandise; and          |
| 4  |           | (E) The use of derricks or other equipment belonging    |
| 5  |           | to the State or under the control of the                |
| 6  |           | department;   |
| 7  | (4)       | Make other charges, including toll or tonnage charges   |
| 8  |           | on freight passing over or across docks, wharves,       |
| 9  |           | piers, quays, bulkheads, or landings;                   |
| 10 | (5)       | Appoint and remove clerks, harbor agents and their      |
| 11 |           | assistants, and all such other employees as may be      |
| 12 |           | necessary, and to fix their compensation;               |
| 13 | (6)       | Adopt rules pursuant to chapter 91 and not              |
| 14 |           | inconsistent with law; and                              |
| 15 | (7)       | Generally have all powers necessary to fully carry out  |
| 16 |           | this chapter.   |
| 17 | As us     | sed in this subsection:                                 |
| 18 | "Comr     | modity" means a product of agriculture or mining,       |
| 19 | article o | f commerce, article of commerce delivered for shipment, |
| 20 | or mass-p | roduced unspecialized product;                          |

| 1  | "Manifested cargo" means a manifest or cargo document           |
|----|---|
| 2  | listing the cargo, passengers, and crew of a ship, aircraft, or |
| 3  | vehicle for the use of customs and other officials.             |
| 4  | "Stevedoring company" means companies specializing in the       |
| 5  | loading or offloading of cargo from vessels that are based in   |
| 6  | and registered to conduct business in the State.                |
| 7  | "Tug" means a boat used for towing larger vessels."             |
| 8  | SECTION 3. Statutory material to be repealed is bracketed       |
| 9  | and stricken. New statutory material is underscored.            |
| 10 | SECTION 4. This Act shall take effect on July 1, 2023.          |
| 11 |   |
|    | INTRODUCED BY:  |
|    |   |

JAN 2 0 2023

### Report Title:

Mooring Lines; Department of Transportation; Harbors Division

#### Description:

Requires commodities and manifested cargo requiring tug assistance to be manned by an existing, operational stevedoring company that is operating within the State.

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