



Aloha Cargo Transport

Northland Services, Inc.

May 5, 2011

HAWAII DEPARTMENT OF AGRICULTURE FEE INCREASE

To All Valued Customers and Shippers:

Please note the memorandum on the following pages from the State of Hawaii Department of Agriculture. Effective immediately, the fee that we are required to collect from each shipper and remit on your behalf to the Plant Quarantine Branch will increase from \$0.50 per 1,000 lbs. of cargo to \$0.75.

We will begin reporting and assessing this new fee level with cargo first arriving on our Voyage No. H1107, which departs Seattle on May 13, 2011. Like you, we regret that there was not more advance notice and time to plan or make provision for this 50% increase in the weight-based cost. Please contact your sales or customer service representative if we can answer any questions about this change.

Thanks and Best Regards,

A handwritten signature in black ink, appearing to read "R. Maxwell". The signature is fluid and cursive.

Richard Maxwell
Vice President, General Manager

NEIL ABERCROMBIE
Governor



RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

JAMES J. NAKATANI
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

May 4, 2011

TO: Transportation Companies

FROM: Carol L. Okada, Manager
Plant Quarantine Branch

**SUBJECT: New Inspection Fee Rate under Act 36, 2011 Legislative Session
(House Bill No. 865, Relating to Inspection Fees)**

Today Governor Abercrombie signed House Bill No. 865 (HB 865) into law as Act 36, which amends section 150A-5.3, Hawaii Revised Statutes (HRS), effective upon Governor's approval, to increase the fee imposed for inspection, quarantine, and eradication of invasive species contained in freight brought into the State, from 50 cents to 75 cents per 1,000 pounds of freight, or part thereof, as shown below.

§150A-5.3 Inspection, quarantine, and eradication service fee and charge. (a)

There is imposed a fee for the inspection, quarantine, and eradication of invasive species contained in any freight, including but not limited to marine commercial container shipment, air freight, or any other means of transporting freight, foreign or domestic, but not including aggregate bulk freight, cement bulk freight, coal bulk freight, or liquid bulk freight, that is brought into the State. The transportation company shall bill the fee to the person responsible for paying the freight charges to the transportation company within fifteen days of the delivery of the freight. The fee shall be paid by the person responsible for paying the freight charges to the transportation company within forty-five days of receipt of the bill. The transportation company shall collect the fee from the person responsible and forward the payment to the department at the port of disembarkation within forty-five days of receipt of the fee; provided that the transportation company shall not be liable for any fee that is not paid by the person responsible for paying the freight charges to the transportation company.

The department shall deposit the fee into the pest inspection, quarantine, and eradication fund under section 150A-4.5.

*(b) The fee shall be assessed and collected on the net weight of the imported freight computed on the basis of **75 cents** for every one thousand pounds of freight, or part thereof brought into the State.
(emphasis added.)*

Pursuant to Act 36, as of May 4, 2011 all transportation companies shall bill and collect the above-referenced fee for subject freight at the new assessment rate and forward payment of the fee to the Hawaii Department of Agriculture, Plant Quarantine Branch (HDOA-PQB) on Oahu (1849 Auiki Street, Honolulu, Hawaii 96819).

The following fee schedule is provided for your guidance.

Net weight	Fee
Up to 1,000 pounds	\$0.75
Greater than 1000 pounds to 2000 pounds	\$1.50
Greater than 2000 pounds to 3000 pounds	\$2.25, and so forth

For purposes of the fee, the law defines “freight” as “nonpassenger goods, cargo or lading, transported for pay;” and defines “net weight” as “gross weight of the freight minus the container weight, if any.” §150A-2, HRS.

The law exempts aggregate bulk freight, cement bulk freight, coal bulk freight, and liquid bulk freight, as defined in section 150A-2, HRS, from the fee. §150A-5.3, HRS.

As a practical matter, it is most helpful if transportation companies submit the fee based on the total net weight of the imported freight brought on each ship (voyage) or aircraft (flight). For example, if a transportation company brings in 10,500 pounds of cargo on a flight into Hawaii, the fees to be collected, and forwarded to HDOA, PQB at the new assessment rate would total \$8.25 (eight dollars and 25 cents) for that flight. Each transportation company is responsible for collecting and forwarding this fee to the department in a timely manner, as set out in section 150A-5.3, HRS, above. Payments will be accepted on a monthly basis or more frequently, if desired by the transportation company.

If you have any questions, please contact Glenn Sakamoto at (808) 832-0566.

Make check payable to: **Hawaii Department of Agriculture**

Remittance address:

Oahu: 1849 Auiki Street
Honolulu, Hawaii 96819

