

COMMITTEE ON WAYS AND MEANS  
Senator Rosalyn H. Baker, Chair  
Senator Shan S. Tsutsui, Vice Chair

**Testimony Index**

Date: January 18, 2008  
Time: 9:00 a.m.  
Place: Conference Room 211

**Department of Land and Natural Resources**

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SENATE COMMITTEE ON WAYS AND MEANS

BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-09

SUMMARY TESTIMONY OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES

January 18, 2008

**DEPARTMENT OVERVIEW**

**I. INTRODUCTION**

**A. Summary of Program Objectives.**

State Constitution, Article XI – Sec. 1:

*For the benefit of present and future generations, the State and its political subdivisions shall conserve and protect Hawaii's natural beauty and all natural resources, including land, water, air, minerals and energy sources, and shall promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of the self-sufficiency of the State.*

*All public natural resources are held in trust by the State for the benefit of the people.*

The specific objectives of the following divisions and staff offices are contained in their respective testimonies:

**DLNR DIVISIONS**

**Land Division (LNR 101):**

Maintains the official inventory of State lands; and handles the acquisitions of land for public purposes, and disposition of State land through sale, lease, month-to-month permit, easement and other dispositions.

**Bureau of Conveyances (LNR 111):**

Serves as the State's sole recording office for documentation of land title changes, liens and contracts between individuals. Examines, records, indexes and microfilms Regular System and Land Court documents and maps.

**Engineering Division (LNR 141 and 810):**

The Engineering Division administers the State's programs in water development and flood prevention and control. The Division also provides engineering assistance to other divisions and other State agencies.

Aquatic Resources (LNR 153, 401 and 805):

Manages the State's marine and freshwater resources through programs in commercial fisheries; aquatic resources protection, enhancement, and education; and recreational fisheries. The program also issues commercial fishing licenses and permits.

Forestry and Wildlife (LNR 172, 402, 407 and 804):

Manages statewide forests and natural area reserves; public hunting areas; plant and wildlife sanctuaries. Program areas include watershed protection, native resources protection, outdoor recreation, hiking trails and commercial forestry.

Water Resource Management (LNR 404):

Provides administrative, staff and technical services in support of the State Commission on Water Resource Management, whose general mission is to protect and enhance the water resources of the State through wise and responsible management.

Conservation and Resources Enforcement (LNR 405):

Enforces conservation and resources laws in the State. Officers also enforce hunting, fishing and camping permit requirements.

Boating and Ocean Recreation (LNR 801):

Manages, operates and maintains small boat harbors, launching ramps, and other boating facilities throughout the state. Manages ocean-based recreation and regulates the commercial use of boating facilities. Administers and operates a vessel registration system for the State.

Historic Preservation (LNR 802):

Operates a statewide inventory of properties of historic, architectural or cultural importance. Reviews development projects for their impact on historic properties. Also coordinates the Burial Sites Program and Historic Preserves Program. Any unearthing of human burials must be reported to this office.

State Parks (LNR 806):

Manages, plans, and develops parks with scenic and cultural values. Also processes camping permits for all State parks and cabins.

Administrative Services (LNR 906):

Provides administrative support services, internal management, and comprehensive fiscal services to the Chairperson, Members of the Land Board, and to the eleven operating divisions and two staff offices of the Department.



Personnel Office

Handles all benefits, classification, and records for departmental employees. Also administers the labor relations' process.

**B. Description of Program Objectives.**

The enormous responsibility for the stewardship of Hawaii's natural resources rests within the Department of Land and Natural Resources (DLNR). It is the mission of employees of DLNR to promote a sustainable Hawaii. It is the Department's goal to protect Hawaii's fragile environment, and wisely manage its natural resource base and the function and viability of natural systems on which all life depends in order that a strong foundation be maintained for future prosperity.

**C. Explanation of How the Program Intends to Meet its Objectives in the Upcoming Fiscal Biennium.**

1. In keeping with the Constitutional mandates to conserve and protect Hawaii's natural beauty and its natural and cultural resources and in order to be responsive to the present and future management of the State's resources, DLNR integrates environmentally sound economic natural resource-based development and public usage of Hawaii's natural resources, through resource inventories, management plans and objectives (short-term and long-term) and public information and education initiatives. The Department relies, in part, on increased vigilance of individuals and public and private agencies in protecting these resources.
2. Over the past year, DLNR has begun to implement the Hawaii Ocean Resources Management Plan (ORMP) to improve overall protection and management of Hawaii's natural and cultural resources.

The 2006 ORMP charts a new course of action that calls for a change in the way we manage our natural and cultural resources. Building on traditional Hawaiian management principles and lessons from past efforts, the ORMP illustrates the need to move toward integrated and place-based approaches to resource management. The ORMP is based on three important perspectives, which the department is incorporating into its everyday practices.

**Perspective 1 - Connecting Land and Sea**

Careful and appropriate use of the land is required to maintain the diverse array of ecological, social, cultural, and economic benefits we derive from sea. The Department continues to focus on land management to improve the quality of coastal areas and the marine environment. Existing efforts to reduce land-based sources of pollution from all land uses will be

continued and strengthened with targeted assistance in priority watersheds. The Department continues to develop new measures to protect beaches and shoreline areas from coastal erosion, not only to preserve beaches but also to protect human life and our economy.

#### Perspective 2 - Preserving Our Ocean Heritage

A vibrant and healthy ocean environment is the foundation for the quality of life valued in Hawai'i and the well being of its people, now and for generations to come. The department continues to make priority actions at sea to improve the quality of the marine environment. Efforts to reduce pollution from sea-based sources continue and will continue to be strengthened, with added emphasis on stopping the introduction of marine alien species and discharges from commercial vessels in archipelagic waters. The status of coral reef ecosystems is dependent on the implementation of a multi-pronged approach: strengthening and expanding marine protected areas, employing new, ecosystem-based approaches for managing nearshore fisheries, and substantially increasing the capacity for enforcement and voluntary compliance with ocean resource rules and regulations, which the Department continues to work on. Additionally the Department will continue with developing new approaches to manage recreational and commercial uses of our beaches and coastal areas and develop responsible and sustainable ocean-based tourism.

#### Perspective 3 - Promoting Collaboration and Stewardship

Working together and sharing knowledge, experience, and resources will improve and sustain our efforts to care for the land and sea. Increasing pressure on natural resources coupled with a greater understanding of environmental systems have brought to light the need for a more holistic approach to natural resource management. The Department continues to integrate natural resources management approaches, build capacity for community participation and stewardship, and develop legal and policy proposals to institutionalize integrated and collaborative management approaches. As part of a holistic approach, collaborative governance mechanisms are needed to provide greater opportunities for integrated planning and public involvement. Thus the Department has placed an emphasis on place-based collaboration recognizes that natural resource management cannot succeed without acceptance and commitment from community members. In turn, community leaders and resource managers have realized that this approach can save significant time, money, and effort in developing sustainable, appropriate environmental management plans for their communities.

The ORMP establishes management priorities for the next 5 years to guide the Department as it embarks on this new course of action and continues its effort to move toward integrated and area-based approaches to natural

and cultural resources management that require greater collaboration among jurisdictional authorities and catalyze community involvement and stewardship.

**II. PROGRAM PERFORMANCE RESULTS**

Please refer to the attached LNR Program testimonies.

**III. DEPARTMENTAL PROBLEMS AND ISSUES**

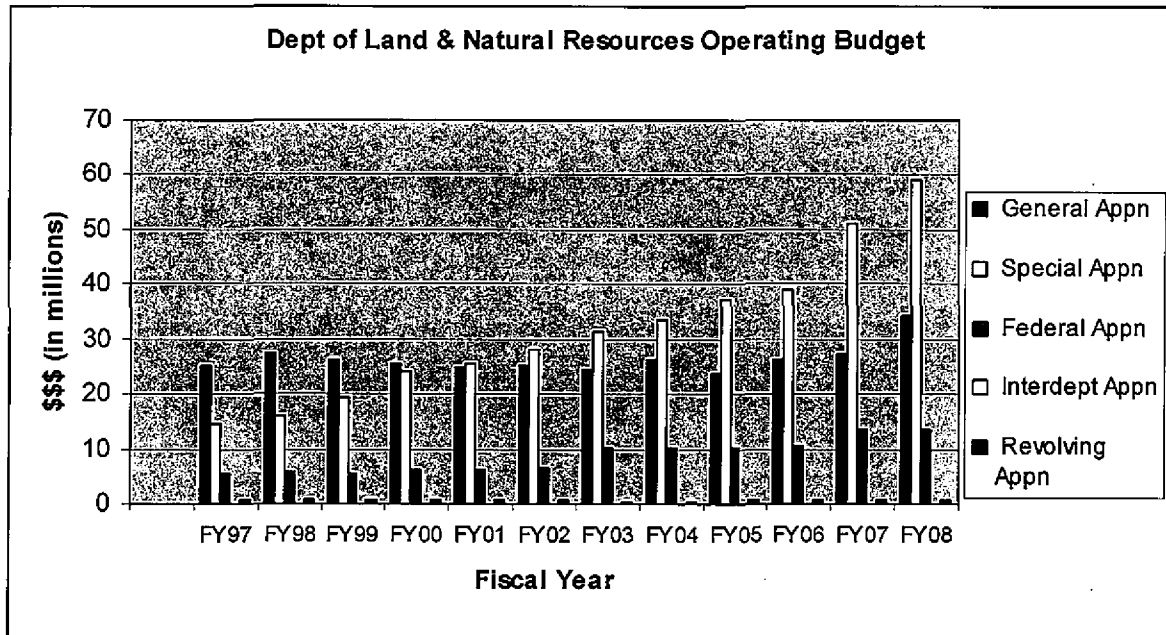
**A. Discuss Problems and Issues Encountered by the Department.**

With the broad array of services and activities provided by the Department, such as maintaining forest reserves and state parks, managing marine and freshwater resources, and recording conveyances and land transactions, protection of the natural resources and ensuring the health and safety of the general public has proven to be challenging.

Listed below is a comparison of the Department's operating budget from FY 1997 to FY 2008.

Department of Land and Natural Resources  
Operating Budget From FY 1997 to 2008

Fiscal Yr	General Appn	Special Appn	Federal Appn	Interdept Appn	Revolving Appn	Total Appn
FY97	25,051,058	14,542,772	5,303,840	143,768	618,136	45,659,574
FY98	27,489,211	15,879,787	5,686,690	143,768	621,660	49,821,116
FY99	26,298,075	19,264,542	5,639,324	143,768	621,660	51,967,369
FY00	25,644,643	23,919,370	6,185,319	149,328	621,660	56,520,320
FY01	24,719,599	25,658,381	6,363,233	149,328	621,660	57,512,201
FY02	25,158,881	27,938,920	6,397,711	-	626,984	60,122,496
FY03	24,404,143	31,460,496	10,192,062		518,019	66,574,720
FY04	26,109,133	33,400,661	10,349,788		543,791	70,403,373
FY05	23,812,151	37,186,667	10,177,183		661,007	71,837,008
FY06	26,408,502	39,023,894	10,415,204		710,839	76,558,439
FY07	27,292,777	50,925,327	13,318,833		710,839	92,247,776
FY08	34,258,380	59,163,502	13,388,275		788,574	107,598,731



Issues continue to surface requiring immediate attention, such as invasive species (e.g., coqui frogs, miconia, brown tree snakes, disease carrying insects and animals etc), and homeland security issues (e.g., small boat harbor enforcement requirements). Recurring health and safety issues continue to impact our facilities, such as repair and maintenance projects (e.g., state parks, small boat harbor facilities) and compliance with state and federal mandates (e.g., Americans with Disabilities Act, Endangered Species Act).

While much of the activities and duties performed in protecting and conserving the State's natural resources often goes unnoticed, we would like to emphasize the importance of maintaining a continuous program for the benefit of future generations.

**B. Program Change Recommendations to Remedy Problems and Issues.**

We have continued a series of initiatives within the Department, and are constantly looking for partners in the community who will help us, and work with us to move forward. Finding a balance between protection and uses of our natural and cultural resources is both difficult and challenging. We will continue to establish and renew alliances and partnerships with various government sectors, private sectors and communities. This will include assisting communities in working with and forming partnerships with other governmental agencies and the private sector.

We are also aggressively pursuing federal funds to support programs. Additionally, we are becoming more proactive in generating revenues for uses associated with state lands.

**C. Explain any Changes Made by Your Department to Become More Efficient and Effective.**

Our planning process to identify priority resources at risk, a future vision for each priority resource and implementing actions to be carried out in order to realize the future vision are the primary changes we will be focusing on for the next few years. Management staff from each program will be meeting to refine the existing plan, improve communication, discuss policies and procedures, resolve problems and identify alternative solutions, and re-evaluate program objectives and performance measures.

**IV. DEPARTMENT-WIDE BUDGET SUMMARY INFORMATION**

**1. Totals For Department FY08 Budget with Restrictions and Emergency Requests FY09 Proposed Operating Budget Adjustments by MOF.**

See Attachment 1.

The Department is requesting \$7.6 million for its Supplemental Budget for FY 2008-09 (\$1.5 million in general funds, \$4.8 million in special funds, and \$1.3 million in federal funds).

The Department is also requesting \$21.7 for various Capital Improvements Projects.

**2. Emergency Requests (by title and amount) that the Department will be seeking for the current fiscal year.**

See Attachment 2.

**3. Summary of FY09 Proposed Operating Budget Adjustments by Program ID.**

See Attachment 3.

**4. Description of all FY09 Proposed Operating Budget Adjustments by Program ID.**

See Attachment 4.

**5. Listing of proposed FY09 Capital Improvements Program Projects.**

See Attachment 5.

**6. Specific Budget Adjustments of concern for your agency.**

Please refer to the attached LNR Program testimonies.

7. **Summary of the Department's request to the Department of Budget and Finance, the funding decisions made by the Budget and Finance, and the funding decisions finalized by the Governor.**

See Attachment 6.

8. **Explain the process used to identify priorities for the Department including which category the requests for additional funding fall into: a. program initiatives of the Governor, b. certain unavoidable fixed costs and entitlements, or c. on-going critical programs which lack continuing funding.**

In developing the Department's priorities, we evaluated various factors such as health and safety issues, priority resources at risk, federal and court mandates, environmental initiatives, and repairs of our rapidly deteriorating public infrastructure. Given the broad array of programs and services provided by the Department, there were no hard and fast rules in determining the Department's overall priorities. Rather, based on program requirements and the need to sustain our natural resources, funding priorities for both operating and CIP were developed.

9. **Discuss How Requests for Additional Operating and Capital Improvements program Funding were Prioritized and Discuss the Manner in Which Community, Departmental, and Legislative Input was Gathered and Utilized to Determine Priorities.**

The Department of Land and Natural Resources is responsible for the stewardship of Hawaii's natural resources. Our goals are to protect our fragile environment and manage its natural resource base in a manner consistent with their conservation. All public natural resources are held in trust by the State for the benefit of the people, including future generations.

10. **Discuss What Actions the Department Has Taken or is Planning to Take to Reduce Operating Costs, and How Those Actions Will Translate Into Savings That May Be Reduced From Your Budget.**

See Attachment 7.

The Department has initiated various actions to assist in the protection, preservation and conservation of the State's natural resources for current and future generations. This however, will not translate into savings that may be reduced from the Department's budget or replace existing state funding, but rather complement the existing financial resources, as the protection and maintenance of the State's natural resources is everyone's responsibility.

- 11. Identify All Positions That Have Been Vacant as of December 1, 2007. For each of these Positions Please Indicate if Authority to Hire Was/Was Not Granted.**

See Attachment 8.

- 11. Listing of All Instances of the Department's Expenditures Exceeding the Federal Fund Ceiling for FY07 and FY08.**

See Attachment 9.

- 12. Listing of all budget appropriations transferred to another program ID and/or another Department in FY07 and FY08.**

See Attachment 10.

- 13. Listing of all deployed positions.**

See Attachment 11.

**V. Biennium Budget Requests for FY09:**

**Provide the total position counts and funds requested.**

**A. Workload or program request:**

**For each program package or item being requested within the program I.D., provide the following (if no request is being made, indicate "none"):**

Please refer to Attachments 1 through 4.

**B. For all position count reductions, please specify whether the positions were filled or vacant.**

None

**VI. Program Restrictions:**

**Identify restrictions carried over from FY08 as well as additional reductions due to Department of Budget and Finance budget ceilings for FY09. If no reduction is being proposed, indicate "none."**

None

**A. A description of the reduction, the reasons for the reduction, and the impacts to the objectives to be accomplished by the program.**

None

**B. A listing/description of the positions cut including source of funding, please specify whether the positions were filled or vacant.**

None

**VII. Capital Improvement Program (CIP) Requests for FY09:**

**CIP data for all projects within the agency being heard shall be combined into a single appendix in the department's testimony. (If no request is being made, indicate "none.")**

See Appendix A.

**VIII. Proposed Lapses of CIP projects:**

**Any CIP project listed for lapse shall include the following (if no lapse is made, indicate "none.")**

See Appendix B.



**Attachment 1**  
**Department-Wide Summary Information**  
**Totals for Proposed Department Budget Adjustments (by Method of Funding)**

FY08				
MOF	Act 213/07	Emergency		Total FY08 (a)+(b)+(c)
	Appropriation (a)	Restriction (b)	Request (c)	
	34,258,380	741,231		34,999,611
	59,163,502	529,292		59,692,794
	13,388,275	43,781		13,432,056
	788,574	73,091		861,665
Dept. Totals	107,598,731	1,387,395		108,986,126

FY09				
MOF	Act 213/07	Addition		Total FY09 (d)+(e)+(f)
	Appropriation (d)	Reduction (e)	(f)	
A	33,008,346		1,524,415	34,532,761
B	56,651,539		4,806,779	61,458,318
N	13,927,126		1,258,700	15,185,826
W	788,574			788,574
Dept. Totals	104,375,585		7,589,894	111,965,479

Please indicate restrictions and reductions as negative numbers, using brackets ( )

**Attachment 2**  
**Department-Wide Summary Information**  
**Fiscal Year 08 Proposed Emergency Requests**

<u>Program ID</u>	<u>MOF</u>	<u>Title of Emergency Requests</u>	<u>FTE</u>	<u>\$ Amount</u>
		None		
Dept. Totals by MOF			-	-

**Attachment 3**  
**Department-Wide Summary Information**  
**Fiscal Year 09 Proposed Budget Adjustments**

Program ID	MOF	Program ID Title	FTE	\$ Amount
LNR 101	B	Public Land Management		120,000
LNR 111	B	Conveyances and Recording		500,000
LNR 153	A	Fisheries and Resources Enhancement	(1.00)	(61,137)
LNR 153	N	Fisheries and Resources Enhancement		80,000
LNR 401	A	Aquatic Resources and Management	1.00	61,380
LNR 401	N	Aquatic Resources and Management		972,500
LNR 405	A	Conservation and Resource Enforcement	15.00	1,125,732
LNR 405	B	Conservation and Resource Enforcement	(5.00)	(264,323)
LNR 407	B	Natural Area Reserves and Management		2,000,000
LNR 801	B	Ocean Based Recreation	5.00	328,644
LNR 802	A	Historic Preservation		251,812
LNR 804	B	Forest Recreation	3.00	22,458
LNR 805	N	Recreational Fisheries		206,200
LNR 806	A	Park Admin, Operations and Interpretation		47,304
LNR 806	B	Park Admin, Operations and Interpretation		2,100,000
LNR 810	A	Prevention of Natural Disasters	1.00	20,000
LNR 906	A	LNR-Natural Physical Environment	2.00	79,324
<b>Total</b>			<b>21.00</b>	<b>7,589,894</b>
Dept. Totals by MOF				
	A		18.00	1,524,415
	B		3.00	4,806,779
	N		-	1,258,700

**Department of Land and Natural Resources  
Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments**

<u>Program I.D.</u>	<u>Description of Adjustment</u>	<u>FTE</u>		<u>MOF</u>
LNR 101	<u>Public Land Management</u>			
	Personnel and other current expenses	51.00	11,575,721	B
			74,108	N
	Purchase replacement vehicles		120,000	B
		51.00	11,695,721	B
			74,108	N
	<b>LNR 101 Total</b>	<b>51.00</b>	<b>11,769,829</b>	
LNR 111	<u>Conveyances and Recording</u>			
	Personnel and other current expenses	60.00	4,039,870	
	Computer network upgrades to the Bureau of Conveyances Information System (BCIS).		500,000	
	<b>LNR 111 Total</b>	<b>60.00</b>	<b>4,539,870</b>	B
LNR 141	<u>Water and Land Development Mgt</u>			
	Personnel and other current expenses	3.00	299,789	A
		3.00	434,000	B
		-	119,104	W
	<b>LNR 141 Total</b>	<b>6.00</b>	<b>852,893</b>	
LNR 153	<u>Fisheries and Resources Enhancement</u>			
	Personnel and other current expenses	11.00	884,127	A
		-	300,315	B
			667,844	N
	Convert Fishery Aid I (#32691) from FTE .49 to FTE .50		(11,613)	A
	Convert Fishery Aid I (#32691) from FTE .49 to FTE .50		11,856	A
	Transfer out Program Manager position no. 9620 to LNR 401	(1.00)	(61,380)	A
	Federal fund ceiling increase requestTo fund the ongoing Fish Aggregating Device System.		80,000	N
		10.00	822,990	A
			300,315	B
			747,844	N
	<b>LNR 153 Total</b>	<b>10.00</b>	<b>1,871,149</b>	

**Department of Land and Natural Resources  
Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments**

<u>Program I.D.</u>	<u>Description of Adjustment</u>	<u>FTE</u>		<u>MOF</u>
LNR 172	<u>Forestry - Product Development</u>			
	Personnel and other current expenses	19.00	813,730	A
		1.50	4,069,970	B
		1.50	390,276	N
	<b>LNR 172 Total</b>	<b>22.00</b>	<b>5,273,976</b>	
LNR 401	<u>Aquatic Resources and Management</u>			
	Personnel and other current expenses	27.00	2,583,530	A
		1.00	2,475,409	N
	Transfer in Program Manager position no. 9620 from LNR 153	1.00	61,380	A
	Federal fund ceiling increase request for Northwestern Hawaiian Island Marine National Monument Hawaiian Island Humpback Whale National Sanctuary; various coral reef projects; instream flow studies; monitoring butterflyfish populations; research		972,500	N
		28.00	2,644,910	A
		1.00	3,447,909	N
	<b>LNR 401 Total</b>	<b>29.00</b>	<b>6,092,819</b>	
LNR 402	<u>Forests and Wildlife Resources and Management</u>			
	Personnel and other current expenses	57.50	5,156,310	A
		-	3,405,193	B
		6.00	5,119,081	N
	<b>LNR 402 Total</b>	<b>63.50</b>	<b>13,680,584</b>	
LNR 404	<u>Water Resources</u>			
	Personnel and other current expenses	21.00	2,412,670	A
		3.00	405,730	B
	<b>LNR 404 Total</b>	<b>24.00</b>	<b>2,818,400</b>	

**Department of Land and Natural Resources  
Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments**

<u>Program I.D.</u>	<u>Description of Adjustment</u>	<u>FTE</u>		<u>MOF</u>
LNR 405	<u>Conservation and Resource Enforcement</u>			
	Personnel and other current expenses	135.25	8,319,943	A
		23.00	1,630,890	B
		2.75	662,088	N
		1.00	63,831	W
	New Division of Conservation and Resource Enforcement (DOCARE) positions - 11 Conservation and Resources Enforcement Officer (CREO) III & 4 Clerk Typist II;	15.00	575,732	A
	DOCARE new officer startup costs @ \$50,000 per officer		550,000	A
	Transfer 2 CREO's from DOCARE to DOBOR:	(3.00)	(128,643)	B
	Transfer 3 Account Clerks IV from DOCARE to DOBOR	(2.00)	(135,680)	B
		150.25	9,445,675	A
		18.00	1,366,567	B
		2.75	662,088	N
		1.00	63,831	W
	<b>LNR 405 Total</b>	<b>172.00</b>	<b>11,538,161</b>	
LNR 407	<u>Natural Area Reserves and Management</u>			
	Personnel and other current expenses	22.00	1,196,931	A
		1.00	8,111,868	B
			200,000	N
	Increase Natural Area Reserves Special Fund (NARS) Ceiling to support current and future program funding		2,000,000	B
		22.00	1,196,931	A
		1.00	10,111,868	B
			200,000	N
	<b>LNR 407 Total</b>	<b>23.00</b>	<b>11,508,799</b>	

**Department of Land and Natural Resources**  
**Attachment 4**  
**Fiscal Year 09 Proposed Budget Adjustments**

<u>Program I.D.</u>	<u>Description of Adjustment</u>	<u>FTE</u>		<u>MOF</u>
LNR 801	<u>Ocean-Based Recreation</u>			
	Personnel and other current expenses	100.00	16,029,447	B
			700,799	N
	Transfer 2 CREO's from DOCARE to DOBOR:	2.00	128,643	B
	Transfer 3 Account Clerks IV from DOCARE to DOBOR	3.00	135,680	B
	Ceiling increase for property management		64,321	B
		105.00	16,358,091	B
	Personnel and other current expenses		700,799	N
	<b>LNR 801 Total</b>	<b>105.00</b>	<b>17,058,890</b>	
LNR 802	<u>Historic Preservation</u>			
	Personnel and other current expenses	13.00	955,095	A
			142,295	B
			496,629	N
	2 temporary Compliance Specialist SR 16 positions		77,288	A
	Temporary Librarian IV SR-22		44,524	A
	Lease Rent and Utility Cost for Kona Office		60,000	A
	Re-internment of Human Skeletal Remains (iwi)		70,000	A
		13.00	1,206,907	A
			142,295	B
			496,629	N
	<b>LNR 802 Total</b>	<b>13.00</b>	<b>1,845,831</b>	
LNR 804	<u>Forest Recreation</u>			
	Personnel and other current expenses	36.00	1,542,810	A
		3.50	554,877	B
		3.50	841,066	N
			605,639	W
	Redescribe (3) temporary General Laborer I to permanent Forestry and Wildlife Worker (FWW) II positions	3.00	22,458	B
		36.00	1,542,810	A

**Department of Land and Natural Resources  
Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments**

Program I.D.	Description of Adjustment	FTE		MOF
		6.50	577,335	B
		3.50	841,066	N
			605,639	W
	<b>LNR 804 Total</b>	<b>46.00</b>	<b>3,566,850</b>	
LNR 805				
	Personnel and other current expenses	7.00	238,640	A
			75,575	B
			811,625	N
	Federal fund ceiling increase request: Biological control of topminnows - \$33,700 Fishery data of short/long term trends in marine protected areas - \$172,500.		206,200	N
		7.00	238,640	A
			75,575	B
			1,017,825	N
	<b>LNR 805 Total</b>	<b>7.00</b>	<b>1,332,040</b>	
LNR 806	<u>State Parks Operation and Management</u>			
	Personnel and other current expenses	90.00	6,105,464	A
		41.00	5,221,780	B
			1,218,456	N
	Life Guard Services in Oahu - additional funds (C&C Hon - Kaena Point).		47,304	A
	State Park Reservation and Visitor Information System (SPRVIS)		300,000	B
	Increase State Parks Special Fund Ceiling		1,800,000	B
		90.00	6,152,768	A
		41.00	7,321,780	B
			1,218,456	N
	<b>LNR 806 Total</b>	<b>131.00</b>	<b>14,693,004</b>	



**Department of Land and Natural Resources  
Attachment 4  
Fiscal Year 09 Proposed Budget Adjustments**

<u>Program I.D.</u>	<u>Description of Adjustment</u>	<u>FTE</u>		<u>MOF</u>
LNR 810	<u>Prevention of Natural Disasters</u>			
	Personnel and other current expenses	7.50	629,779	A
		0.50	269,745	N
	Flood and Dam Safety Program - Consultant services.		20,000	A
	Flood and Dam Safety Program - Convert temporary Information Technology Specialist position to permanent.	1.00		A
		8.50	649,779	A
		0.50	269,745	N
	<b>LNR 810 Total</b>	<b>9.00</b>	<b>919,524</b>	
LNR 906	<u>Natural Physical Environment</u>			
		33.00	1,869,528	A
		6.00	654,008	B
	Administration - Personnel Management Specialist III Base is: Departmental Personnel Officer (DPO), 3 Personnel Management Specialists, 1 Personnel Technician, and 2 Personnel Clerks for 900+ positions.	1.00	44,512	A
	Administrative Services Office - Account Clerk IV	1.00	34,812	A
		35.00	1,948,852	A
		6.00	654,008	B
	<b>LNR 906 Total</b>	<b>41.00</b>	<b>2,602,860</b>	
	<b>Dept Totals by MOF</b>	500.25	34,532,761	A
		296.00	61,458,318	B
		15.25	15,185,826	N
		1.00	788,574	W
		<b>812.50</b>	<b>111,965,479</b>	

**Attachment 5**  
**FY09 Capital Improvements Program Summary**

Priority	Project Title	FY09 \$ Amount	MOF
1	Lump Sum CIP, Improvements to Harbor Facilities, Statewide	10,000,000	C
2	Lump Sum CIP, Improvements to State Parks, Statewide	5,000,000	C
3	North Kona Water System Improvements, Hawaii	2,905,000	C
4	Waimea Wells, Hawaii	1,976,000	C
5	Kawai Nui Marsh Habitat Restoration Project, Oahu	500,000	C
6	State Parks Energy Efficiency and Conservation Improvements, Statewide	250,000	C
7	DOCARE Office, Honokohau Harbor, Hawaii	100,000	C
8	Warning and Information Signage at DOFAW Facilities, Statewide	150,000	B
9	Ahihi-Kinohiwa Natural Area Reserve, Maui	100,000	B
10	Dam Assessments, Maintenance and Remediation, Statewide (for DLNR-owned dams only) Last year's Executive Budget request FY 08 \$3,730,000 C and FY 09: \$16,800,000 (total \$20,530,000) Act 213 appropriations: FY 08: \$3,730,000B FY 09: \$14,530,000 C and \$2,270,000 B (total \$20,530,000)	(2,270,000)	B
10	Dam Assessments, Maintenance and Remediation, Statewide	2,270,000	C
11	Mauna Kea Composting Toilets, Hawaii The Mauna Kea Forest Reserve campsites are closed due to lack of toilet facilities. Propose to replace ten toilets with composting, no-maintenance-required toilets so that DOFAW can open up the campsite area to the public.	250,000	B
12	DOCARE Office and Baseyard, Oahu Significant water and termite damage to wooden portable buildings.	500,000	C
<b>TOTAL</b>		<b>21,731,000</b>	

BY MOF		
General Fund	-	A
Special Funds	(1,770,000)	B
General Obligation Bonds	23,501,000	C
Reimbursable GO Bonds	-	D
Revenue Bonds	-	E
Federal Funds	-	N

Attachment 6  
FY 09 Budget Decisions

Depart Priority	Prog ID	Description	MOF	DEPARTMENT REQUEST			BUDGET AND FINANCE			GOVERNOR'S DECISION		
				FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount
1a	LNR 906	Administration - Personnel Management Specialist III Base is: Departmental Personnel Officer (DPO), 3 Personnel Management Specialists, 1 Personnel Technician, and 2 Personnel Clerks for 900+ positions.	A	1.00		44,512	1.00		44,512	1.00		44,512
1b	LNR 906	Administrative Services Office - Account Clerk IV	A	1.00		34,812	1.00		34,812	1.00		34,812
1c	LNR 906	Data Processing Analyst IV - SR22 (Database administrator for the management and operation of database activities)	A	1.00		48,524	0.00		-	0.00		-
2a	LNR 405	New Division of Conservation and Resource Enforcement (DOCARE) positions - 11 Conservation and Resources Enforcement Officer (CREO) III & 4 Clerk Typist II; resubmission.	A	15.00		575,732	15.00		575,732	15.00		575,732
2b	LNR 405	DOCARE new officer startup costs @ \$50,000 per officer Resubmission	A			550,000			550,000			550,000
3a	LNR 405	DOCARE - MOF for 10 Boating Special Funded CREO positions to general funds. The Division of Boating and Ocean Recreation (DOBOR) is the only special fund that supports 15% pf DOCARE activities. Other divisions that receive enforcement support include the	A	10.00		462,740	0.00		-	0.00		-
3b	LNR 405	DOCARE- Request to change MOF for 10 Boating Special Funded CREO positions	B	(10.00)		(653,065)	0.00		-	0.00		-
4a	LNR 405	Transfer 2 CREO's from DOCARE to Division of Boating and Ocean Recreation (DOBOR ) (Transfers Homeland Security functions for cruise ship activities to small boat harbors)	B	(2.00)		(128,643)	(2.00)		(128,643)	(2.00)		(128,643)
4b	LNR 405	Transfer 3 Account Clerks IV from DOCARE to DOBOR (For cruise ship activities)	B	(3.00)		(135,680)	(3.00)		(135,680)	(3.00)		(135,680)
4c	LNR 801	Transfer 2 CREO's from DOCARE to DOBOR:	B	2.00		128,643	2.00		128,643	2.00		128,643
4d	LNR 801	Transfer 3 Account Clerks IV from DOCARE to DOBOR	B	3.00		135,680	3.00		135,680	3.00		135,680
5	LNR 802	State Historic Preservation Division (SHPD) - Compliance Specialist SR 16	A		2.00	77,288		2.00	77,288		2.00	77,288
6	LNR 802	SHPD - Librarian IV SR-22	A		1.00	44,524		1.00	44,524		1.00	44,524
7	LNR 802	SHPD - Lease Rent and Utility Cost for Kona Office	A			60,000			60,000			60,000
8	LNR 802	SHPD - Re-interment of Human Skeletal Remains (iwi)	A			70,000			70,000			70,000
9	LNR 802	SHPD - Digitizing Archaeological Report & Building Blue Print	A			35,000			0			0
10	LNR 111	Bureau of Conveyances - Computer network upgrades to the Bureau of Conveyances Information System (BCIS).	B			500,000			500,000			500,000
11	LNR 810	Flood and Dam Safety Program - Consultant services.	A	-	-	20,000	-	-	20,000	-	-	20,000
12	LNR 810	Flood and Dam Safety Program - Convert temporary Information Technology Specialist position to permanent.	A	1.00	(1.00)	-	1.00	(1.00)	-	1.00	(1.00)	-

Attachment 6  
FY 09 Budget Decisions

Depart Priority	Prog ID	Description	MOF	DEPARTMENT REQUEST			BUDGET AND FINANCE			GOVERNOR'S DECISION		
				FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount
13	LNR 141	Water and Land Development - Digitally scan existing files, plans and specifications for permanent storage	A	-	-	100,000			0			0
14	LNR 404	Commission on Water Resources Management (CWRM) - Program Administrator (EM 07) CWRM has no division administrator like the rest of DLNR. CWRM deputy has increased departmental responsibilities such as overseeing watershed management, water developmen	A	1.00		99,000	0.00		0	0.00		0
15	LNR 906	Administration - Public Information Officer	A	1.00		69,000	0		0	0		0
16	LNR 906	Administration - Administrative Proceedings Office cost	A			28,000			0			0
17	LNR 405	DOCARE - Port security video monitoring system	A			150,000			0			0
18	LNR 806	State Parks - Life Guard Services in Oahu - additional funds (C&C Hon - Kaena Point).	A			47,304			47,304			47,304
19	LNR 806	State Park Reservation and Visitor Information System (SPRVIS) and Implement Permit Reservations Online - to provide online permitting; handling of fees and refunds.  Revenues for cabin rentals and camping permits FY 07 is \$347,000; deposited into SP	A			300,000			-			-
19	LNR 806	State Park Reservation and Visitor Information System (SPRVIS)	B			-			300,000			300,000
20	LNR 806	Increase State Parks Special Fund Ceiling	B			1,800,000			1,800,000			1,800,000
21	LNR 101	Land Division - Purchase replacement vehicles	B			120,000			120,000			120,000
22	LNR 401	Division of Aquatic Resources (DAR) - Replace Kona's survey vessel Inspection this year revealed safety issues of unrepairable hairline cracks. This is the only vessel that is used daily to collect data and to monitor the Kona coast to show the effectiv	A			100,000			-			-
23	LNR 801	DOBOR - Property Manager	B	1.00		64,321			64,321			64,321
24a	LNR 802	SHPD - Archaeologist I-IV	A		1.00	63,585			0			0
24b	LNR 802	SHPD - Cultural Historian	A		1.00	63,585			0			0
24c	LNR 802	SHPD - Architectural Historian	A		1.00	63,585			0			0
25	LNR 172	Division of Forestry and Wildlife (DOFAW) - Backhoe/Front-end Loader (Kauai)	A	-	-	85,000			0			0
26	LNR 804	DOFAW - Redescribe (3) temporary General Laborer I to permanent Forestry and Wildlife Worker (FWW) II positions	B	3.00	(3.00)	61,746	3.00	(3.00)	22,458	3.00	(3.00)	22,458

Attachment 6  
FY 09 Budget Decisions

Depart Priority	Prog ID	Description	MOF	DEPARTMENT REQUEST			BUDGET AND FINANCE			GOVERNOR'S DECISION			
				FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount	
27	LNR 172	DOFAW - Convert (4) Invasive Species Forestry Worker Tech IV to permanent, SR 13.	B	4.00	(4.00)	-	0	0	-	0	0	-	
28a	LNR 153	Convert Fishery Aid I (#32691) from FTE .49 to FTE .50	A		(0.49)			(0.49)	(11,613)		(0.49)	(11,613)	
28b	LNR 153	Convert Fishery Aid I (#32691) from FTE .49 to FTE .50	A		0.50			0.50	11,856		0.50	11,856	
29	LNR 101	Land Division - Convert Legacy Land Conservation Program temporary positions to permanent. (Natural Area Reserve (NAR) Specialist and Project Development Specialist)  Program is funded by the Land Conservation Fund (LCF).	B	2.00	(2.00)		-	-		-	-		
30	LNR 407	Increase Natural Area Reserves Special Fund (NARS) Ceiling to support current and future program funding	B	-	-	2,000,000			2,000,000			2,000,000	
31	LNR 407	Convert (22) NARS positions from temp to perm (Temp positions authorized in FY 07)	B	22.00	(22.00)	-	0.00	0.00	0	0.00	0.00	0	
32a	LNR 153	Aquatics - Transfer out Program Manager position no. 9620	A	(1.00)		(61,380)	(1.00)		(61,380)	(1.00)		(61,380)	
32b	LNR401	Aquatics - Transfer in Program Manager position no. 9620	A	1.00		61,380	1.00		61,380	1.00		61,380	
33	LNR 153	Aquatics - Federal fund ceiling increase request To fund the ongoing Fish Aggregating Device System.	N			80,000			80,000			80,000	
34	LNR 401	Aquatics - Federal fund ceiling increase request . Northwestern Hawaiian Island Marine National Monument Hawaiian Island Humpback Whale National Sanctuary; various coral reef projects; instream flow studies; monitoring bottomfish populations; recreat	N			972,500			972,500			972,500	
35	LNR805	Aquatics - Federal fund ceiling increase request. Biological control of topminnows - \$33,700 Fishery data of short/long term trends in marine protected areas - \$172,500.	N			206,200			206,200			206,200	
<b>TOTAL REQUEST:</b>				<b>53.00</b>	<b>(25.99)</b>	<b>8,343,893</b>	<b>21.00</b>	<b>(0.99)</b>	<b>7,589,894</b>	<b>21.00</b>	<b>(0.99)</b>	<b>7,589,894</b>	
By MOF				A	31.00	5.01	3,192,191	18.00	2.01	1,524,415	18.00	2.01	1,524,415
				B	22.00	(31.00)	3,893,002	3.00	(3.00)	4,806,779	3.00	(3.00)	4,806,779
				N	-	-	1,258,700	-	-	1,258,700	-	-	1,258,700
				R	-	-	-	-	-	-	-	-	
				S	-	-	-	-	-	-	-	-	
				T	-	-	-	-	-	-	-	-	
				U	-	-	-	-	-	-	-	-	
				W	-	-	-	-	-	-	-	-	
				X	-	-	-	-	-	-	-	-	
<b>GRAND TOTAL = ACT 213/07 + REQUEST</b>				<b>844.50</b>	<b>106.50</b>	<b>112,719,478</b>	<b>812.50</b>	<b>131.50</b>	<b>111,965,479</b>	<b>812.50</b>	<b>131.50</b>	<b>111,965,479</b>	

**Attachment 7  
Actions to Realize Savings**

<u>Program ID</u>	<u>MOF</u>	<u>Description of Action to Realize Savings</u>	<u>\$ Amount of Actual FY07 Savings</u>	<u>\$ Amount of Projected FY08 Savings</u>
LNR 101		The Division of Forestry and Wildlife will continue to administer grants to State, County, and other organizations through the Legacy Land Conservation Program, thus continuing to draw matching federal, private, and county funding to be used toward the protection - through acquisition - of lands having value as a resource to the State.		
LNR 101	B	The Department is pursuing generating additional revenues and fostering economic activity by developing underutilized lands for industrial, commercial, and other uses and making them available to the business sector.	\$0	\$0
LNR 172		The Division of Forestry and Wildlife will continue to implement initiatives related to harvest of forest products that will enable the private sector to harvest trees along fencelines, roads and near facilities, for a fee, rather than the State paying a contractor to remove hazardous trees at a maintenance cost. In FY07, cleared 0.5 miles of fenceline in Kohala Forest Reserve at a savings of \$200,000, and removed problem trees in Hilo Forest Reserve at a cost savings of \$75,000. In FY08, salvaged dead and dying timber from 4.5 miles of roads and trails in Kula Forest Reserve damaged by the Jan 2007 forest fire and sold downed trees and debris to timber processors for milling and to a energy producer for processing as biomass. Savings of \$400,000.	275,000	400,000

**Attachment 7**  
**Actions to Realize Savings**

LNR172	<p>The Division of Forestry and Wildlife continued a Cooperative Agreement with Office of Hawaiian Affairs (OHA) to manage the newly acquired State Forest Reserve at Wao Kele O Puna. OHA is providing funding to implement initial infrastructure development, develop management plans, conduct public outreach, and initiate management actions. Savings of \$228,000 per year.</p>	228,000	228,000
LNR 402	<p>The Division of Forestry and Wildlife will continue various partnerships with the private sector and other governmental agencies relating to landowner assistance programs, invasive species control, endangered species restoration, and fire protection. This includes cost-sharing with county and federal agencies on fire fighting; cost sharing with federal agencies, nongovernmental conservation organizations and private property owners to locate and build facilities; and cost sharing with private and public partners to co-fund field crews for natural resource management.</p>	6,000,000	6,000,000

**Attachment 7  
Actions to Realize Savings**

LNR 407	<p>The Division of Forestry and Wildlife (DOFAW) will continue various partnerships with the private sector and other governmental agencies relating to watersheds partnerships, invasive species, and Natural Area Partnership programs. This includes cost-sharing with neighboring or adjacent parcels to co-fund field crews for implementing landscape level management actions benefiting multiple partners. DOFAW will expand the YCC and Americop programs to involve more students and young professionals in natural resources management activities. The students are paid a stipend and conduct worthwhile work to manage natural resources in exchange for training and experience gained on the job.</p>	3,000,000	3,000,000
LNR 804	<p>The Division of Forestry and Wildlife will continue various partnerships with individuals and the private sector recreationists such as hunting and hiking clubs, and private individuals and landowners, to help manage public lands and gain access to private lands for public recreation. This includes recruiting and using volunteers to implement recreational activities such as trail building; construction and maintenance of fences, viewing areas, hunter checking stations, and game animal feed and water units; and partnering with Nongovernmental Organizations to plan and develop Off-highway vehicle recreation facilities.</p>	150,000	250,000



**Attachment 8**  
**All Positions Vacant As of 12/1/07**

Date of Vacancy	Program I.D.	PositionTitle	Position Number	Exempt (Y/N)	Budgeted Amount	Actual Salary Last Employee Paid	MOF	Program ID	Authority to Hire (Y/N)
08/01/07	LNR101	District Land Agent	12077	N	\$ 73,032.00	\$ 75,948.00	B	LNR 101	Y
11/05/07	LNR101	State Lands Admr	27440	N	\$ 83,562.00	\$ 78,000.00	B	LNR 101	N
11/01/07	LNR101	Land Agent I	41672	N	\$ 56,040.00	\$ 42,144.00	B	LNR 101	Y
11/01/06	LNR101	District Land Agent	50976	N	\$ 60,024.00	\$ 60,024.00	B	LNR 101	Y
02/16/07	LNR101	Staff Appraiser	110287	Y	\$ 39,337.00	\$ 69,999.96	B	LNR 101	Y
	LNR101	NARS IV	118345	N	\$ 44,294.00	N/A	B	LNR 101	Y
	LNR101	Planner V	118782	N	\$ 48,000.00	N/A	B	LNR 101	Y
06/12/07	LNR111	Abstractor VI	143	N	\$ 41,064.00	\$ 31,212.00	B	LNR111	Y
06/01/06	LNR111	Microphotographer II	150	N	\$ 22,788.00	\$ 24,792.00	B	LNR111	Y
11/17/06	LNR111	Abstr Asst IV	154	N	\$ 32,424.00	\$ 31,212.00	B	LNR111	Y
12/13/06	LNR111	Clerk III	159	N	\$ 27,768.00	\$ 28,860.00	B	LNR111	Y
07/09/07	LNR111	Abstr Asst V	40436	N	\$ 44,424.00	\$ 33,720.00	B	LNR111	Y
09/18/07	LNR111	Admin Svcs Asst	44992	N	\$ 47,448.00	\$ 43,500.00	B	LNR111	Y
	LNR111	Abstractor VII	98002C	N	\$ 33,756.00	pend establishment	B	LNR111	N
	LNR111	Abstractor VI	98003C	N	\$ 31,212.00	pend establishment	B	LNR111	N
	LNR111	Cashier II	98004C	N	\$ 27,768.00	pend establishment	B	LNR111	Y
	LNR111	Abstr Asst IV	98005C	N	\$ 26,664.00	pend establishment	B	LNR111	Y
	LNR111	Ld Ct Doc Rec Clk I	98006C	N	\$ 33,756.00	pend establishment	B	LNR111	Y
	LNR111	Clerk III	98007C	N	\$ 23,736.00	pend establishment	B	LNR111	N
	LNR111	Clerk III	98008C	N	\$ 23,736.00	pend establishment	B	LNR111	N
	LNR111	Microphotographer II	98009C	N	\$ 22,788.00	pend establishment	B	LNR111	N
	LNR111	Abstr Asst III	98010C	N	\$ 24,684.00	pend establishment	B	LNR111	N
	LNR111	Abstr Asst IV	98011C	N	\$ 24,684.00	pend establishment	B	LNR111	N
	LNR141	Geologist II	98012C	N	\$ 62,400.00	pend establishment	B	LNR141	Y
	LNR141	Engineer V	98013C	N	\$ 70,188.00	pend establishment	B	LNR141	Y
04/09/07	LNR153	Fish Tech IV	24634	N	\$ 33,755.00	\$ 33,756.00	A	LNR 153	Y
10/02/07	LNR153	Fish Aid I	32691	N	\$ 22,788.00	\$ 23,700.00	N	LNR153	N
	LNR153	Fish Tech III	118682	N	\$ 19,998.00	N/A	A	LNR 153	Y
	LNR153	Fish Tech III	118683	N	\$ 19,997.00	N/A	A	LNR 153	Y
	LNR153	Aq Rescs Pgm Mgr	118698	N	\$ 44,181.00	N/A	A	LNR 153	Y
6/1/07	LNR172	Forester III	2892	N	\$ 55,500.00	\$ 55,500.00	A	LNR172	Y

**Attachment 8  
All Positions Vacant As of 12/1/07**

11/1/06	LNR172	For & WL Supvr I	2935	N	\$ 36,840.00	\$ 40,668.00	A	LNR172	Y
8/1/07	LNR172	For & WL Wkr II	21434	N	\$ 33,396.00	\$ 34,728.00	A	LNR172	Y
5/16/06	LNR172	For & WL Wkr III	21439	N	\$ 29,352.00	\$ 35,400.00	A	LNR172	Y
8/3/07	LNR172	For & WL Tech III	112449	N	\$ 32,370.00	\$ 33,720.00	B	LNR172	Y
1/26/07	LNR172	General Laborer I	116967	N	\$ 26,057.00	\$ 30,036.00	B	LNR172	Y
	LNR172	Wildlife Bio IV	118602	N	\$ 40,961.00	N/A	B	LNR172	Y
	LNR172	For & WL Wkr II	118603	N	\$ 34,314.00	N/A	B	LNR172	Y
11/27/04	LNR401	Aq Rescs Pgm Mgr	9620	N	\$ 58,980.00	\$ 58,980.00	A	LNR401	Y
	LNR401	ITP Coordinator	118784	Y	\$ 36,516.00	N/A	N	LNR401	Y
					\$ 36,516.00		A		
	LNR401	ITP Pgm Asst	118785	Y	\$ 24,666.00	N/A	N	LNR401	Y
					\$ 24,666.00		A		
	LNR401	NWHI Co-Mgr	118628	Y	\$ 76,684.00	N/A	N	LNR401	Y
	LNR401	NWHI Permit Coord	118629	Y	\$ 51,798.00	N/A	N	LNR401	Y
7/2/07	LNR402	Carpenter I	4664	N	\$ 39,864.00	\$ 41,460.00	A	LNR402	Y
7/10/07	LNR402	Wildlife Bio V	27073	N	\$ 47,448.00	\$ 49,344.00	A	LNR402	Y
7/1/07	LNR402	Forester III	27099	N	\$ 36,048.00	\$ 40,512.00	A	LNR402	Y
10/1/07	LNR402	Clerk Typist II	35712	N	\$ 25,656.00	\$ 26,688.00	A	LNR402	Y
11/11/05	LNR402	Account Clerk II	116396	N	\$ 23,736.00	\$ 23,844.00	N	LNR402	Y
	LNR402	Clerk Typist II	118219	N	\$ 22,932.00	N/A	N	LNR402	Y
9/4/07	LNR402	For & WL Wkr II	118249	N	\$ 31,500.00	\$ 36,504.00	N	LNR402	Y
	LNR402	Clerk Typist II	118263	N	\$ 22,932.00	N/A	N	LNR402	Y
	LNR402	Forester III	118677	N	\$ 28,944.00	N/A	A	LNR402	Y
	LNR402	Wildlife Bio IV	118404	N	\$ 42,144.00	N/A	A	LNR402	Y
	LNR402	For & WL Wkr II	98093	N	\$ 33,396.00	pend establishment	A	LNR402	Y
	LNR402	For & WL Wkr III	98094	N	\$ 35,400.00	pend establishment	A	LNR402	Y
6/18/07	LNR404	Hydrologist VI	102237	Y	\$ 67,536.00	\$ 67,536.00	A	LNR404	Y
1/5/07	LNR404	Geologist II	117628	N	\$ 76,680.00	\$ 57,720.00	A	LNR404	Y
7/3/07	LNR405	CREO III	5985	N	\$ 51,936.00	\$ 33,828.00	A	LNR405	Y
4/1/07	LNR405	CREO III	28534	N	\$ 42,696.00	\$ 42,696.00	B	LNR405	Y
9/1/07	LNR405	CREO III	25889	N	\$ 58,428.00	\$ 60,768.00	A	LNR405	Y
4/1/07	LNR405	CREO III	34479	N	\$ 44,424.00	\$ 48,024.00	B	LNR405	Y
6/1/07	LNR405	CREO III	39170	N	\$ 58,428.00	\$ 41,160.00	A	LNR405	Y

**Attachment 8**  
**All Positions Vacant As of 12/1/07**

11/15/07	LNR405	CREO II	39173	N	\$ 49,944.00	\$ 51,936.00	A	LNR405	Y
4/1/07	LNR405	CREO III	50968	N	\$ 36,792.00	\$ 39,456.00	B	LNR405	Y
4/2/07	LNR405	Accountant III	52375	N	\$ 43,836.00	\$ 31,716.00	A	LNR405	Y
6/30/07	LNR405	Clerk Typist II	117086	N	\$ 26,664.00	\$ 26,664.00	A	LNR405	Y
	LNR405	Clerk Typist II	117085	N	\$ -	N/A	A	LNR405	N
4/25/05	LNR405	Clerk Typist II	117079	N	\$ -	\$ 23,952.00	A	LNR405	N
6/30/06	LNR405	Clerk Typist II	117080	N	\$ -	\$ 24,792.00	A	LNR405	N
	LNR405	CREO IV	117733	N	\$ 41,064.00	N/A	B	LNR405	Y
	LNR405	CREO IV	117735	N	\$ 41,064.00	N/A	B	LNR405	Y
	LNR405	Account Clerk II	96009C	N	\$ 20,205.00	pend establishment	B	LNR405	Y
	LNR405	Account Clerk II	96010C	N	\$ 20,205.00	pend establishment	B	LNR405	Y
	LNR405	Account Clerk II	96011C	N	\$ 20,205.00	pend establishment	B	LNR405	Y
	LNR405	CREO IV	118797	N	\$ 29,754.00	N/A	A	LNR405	Y
	LNR405	CREO III	118729	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118730	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118731	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118724	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118727	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118726	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118725	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118736	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	CREO III	118728	N	\$ 27,862.00	N/A	A	LNR405	Y
	LNR405	Clerk Typist III	98049C	N	\$ 18,582.00	N/A	A	LNR405	Y
	LNR405	Clerk Typist III	98050C	N	\$ 18,582.00	N/A	A	LNR405	Y
	LNR405	Clerk Typist III	98051C	N	\$ 18,582.00	N/A	A	LNR405	Y
	LNR405	Clerk Typist III	98052C	N	\$ 18,582.00	N/A	A	LNR405	Y
	LNR405	Clerk Typist III	98053C	N	\$ 18,582.00	N/A	A	LNR405	Y
8/1/07	LNR407	Clerk Typist II	39937	N	\$ 27,768.00	\$ 28,884.00	A	LNR407	Y
1/8/04	LNR407	NARS V	44990	N	\$ 47,448.00	\$ 60,048.00	A	LNR407	Y
8/16/07	LNR407	For & WL Wkr II	45490	N	\$ 33,396.00	\$ 34,728.00	A	LNR407	Y
10/19/07	LNR407	Accountant IV	118265	N	\$ 42,144.00	\$ 43,824.00	B	LNR407	Y
	LNR407	For & WL WKr II	118335	N	\$ 31,500.00	N/A	B	LNR407	Y
	LNR407	Planner IV	118330	N	\$ 51,312.00	N/A	B	LNR407	Y

**Attachment 8**  
**All Positions Vacant As of 12/1/07**

	LNR407	Planner IV	118332	N	\$ 47,448.00	N/A	B	LNR407	Y
	LNR407	For & WL Tech IV	118275	N	\$ 28,860.00	N/A	B	LNR407	Y
	LNR407	NARS IV	118337	N	\$ 42,144.00	N/A	B	LNR407	Y
	LNR407	For & WL Tech IV	118338	N	\$ 28,860.00	N/A	B	LNR407	Y
3/16/07	LNR801	Harbor Agent II	8248	N	\$ 31,212.00	\$ 48,024.00	B	LNR801	Y
9/1/07	LNR801	Harbor Agent III	8668	N	\$ 37,944.00	\$ 31,200.00	B	LNR801	Y
4/2/07	LNR801	Harbor Agent I	9787	N	\$ 27,768.00	\$ 42,276.00	B	LNR801	Y
9/1/06	LNR801	Bldg Mtnce Wkr I	26767	N	\$ 39,864.00	\$ 41,460.00	B	LNR801	Y
8/31/07	LNR801	Harbor Agent III	27192	N	\$ 36,492.00	\$ 23,760.00	B	LNR801	N
10/31/07	LNR801	Clerk III	28791	N	\$ 25,656.00	\$ 26,688.00	B	LNR801	Y
9/4/07	LNR801	Harbor Agent I	39234	N	\$ 27,768.00	\$ 47,448.00	B	LNR801	Y
11/8/07	LNR801	Harbor Agent IV	42110	N	\$ 36,492.00	\$ 37,956.00	B	LNR801	Y
9/15/07	LNR801	Clerk V	43788	N	\$ 31,212.00	\$ 32,460.00	B	LNR801	Y
5/1/07	LNR801	Clerk Typist II	45345	N	\$ 26,664.00	\$ 26,688.00	B	LNR801	Y
8/31/07	LNR801	Clerk III	46141	N	\$ 24,684.00	\$ 26,688.00	B	LNR801	Y
11/28/07	LNR801	Clerk III	46609	N	\$ 26,664.00	\$ 27,732.00	B	LNR801	N
7/16/07	LNR801	Accountant IV	46758	N	\$ 42,144.00	\$ 49,344.00	B	LNR801	Y
7/25/07	LNR801	Rec Harbor Mgr I	43760	N	\$ 53,352.00	\$ 51,552.00	B	LNR801	Y
12/23/05	LNR801	Clerk Typist II	48181	N	\$ 23,736.00	\$ 28,968.00	B	LNR801	Y
11/16/06	LNR801	Account Clerk II	50960	N	\$ 25,656.00	\$ 25,656.00	B	LNR801	Y
	LNR801	Bldg Mtnce Supvr	118308	N	\$ 29,766.00	N/A	B	LNR801	Y
	LNR801	Planner IV	98054C	N	\$ 40,000.00	pend establishment	B	LNR801	N
	LNR801	Clerk III	98055C	N	\$ 23,000.00	pend establishment	B	LNR801	N
10/4/05	LNR802	Historic Pres Supvr	12975	N	\$ 51,312.00	\$ 70,560.00	A	LNR802	Y
10/24/07	LNR802	Clerk Steno III	26603	N	\$ 35,100.00	\$ 19,920.00	A	LNR802	N
7/1/07	LNR802	HSPS II	100379	Y	\$ 55,500.00	\$ 57,720.00	A	LNR802	Y
7/1/06	LNR802	HSPS III	100530	Y	\$ 58,842.00	\$ 63,048.00	A	LNR802	Y
10/6/06	LNR802	HSPS II	102055	Y	\$ 51,059.00	\$ 51,058.68	N	LNR802	Y
4/30/05	LNR802	His Sites Info Sys Mgr	102283	Y	\$ 52,801.00	\$ 47,892.00	B	LNR802	Y
9/1/06	LNR802	Oahu Lead Archaeologist	102301	Y	\$ 57,443.00	\$ 55,500.00	A	LNR802	Y
12/30/06	LNR802	Cultural Historian	102394	Y	\$ 41,942.00	\$ 41,942.40	A	LNR802	Y
8/22/05	LNR804	Hvy Veh Con Equip Mech I	2908	N	\$ 42,876.00	\$ 39,084.00	A	LNR804	Y
7/1/07	LNR804	For & WL Mgr	5274	N	\$ 90,778.00	\$ 90,780.00	A	LNR804	Y

**Attachment 8**  
**All Positions Vacant As of 12/1/07**

4/12/07	LNR804	Clerk Typist II	50954	N	\$ 11,081.00	\$ 23,736.00	W	LNR804	Y
5/1/06	LNR804	For & WL Tech IV	52386	N	\$ 28,860.00	\$ 27,888.00	B	LNR804	Y
11/1/07	LNR804	Trails & Access Spclt	52396	N	\$ 60,024.00	\$ 62,424.00	B	LNR804	Y
	LNR804	Carpenter I	118679	N	\$ 29,898.00	N/A	A	LNR804	Y
3/1/00	LNR806	Park Caretaker II	4673	N	\$ 32,124.00	\$ 30,684.00	A	LNR806	Y
10/16/07	LNR806	Park Caretaker II	13171	N	\$ 32,124.00	\$ 33,408.00	A	LNR806	Y
9/19/07	LNR806	General Laborer I	14937	N	\$ 30,036.00	\$ 31,236.00	A	LNR806	N
5/1/07	LNR806	Clerk Typist II	22173	N	\$ 24,684.00	\$ 24,684.00	B	LNR806	Y
8/1/06	LNR806	Secretary II	22406	N	\$ 24,684.00	\$ 27,888.00	A	LNR806	Y
9/17/07	LNR806	General Laborer I	27053	N	\$ 30,036.00	\$ 31,236.00	A	LNR806	Y
3/31/07	LNR806	Park Caretaker II	30028	N	\$ 32,124.00	\$ 30,684.00	A	LNR806	Y
10/10/07	LNR806	Park Caretaker II	37246	N	\$ 32,124.00	\$ 33,408.00	A	LNR806	Y
1/1/07	LNR806	Park Caretaker II	38376	N	\$ 32,124.00	\$ 32,124.00	A	LNR806	Y
7/11/05	LNR806	Pk Interp Tech	50671	N	\$ 28,860.00	\$ 30,276.00	B	LNR806	Y
11/1/06	LNR806	Property Mgr IV	113132	N	\$ 43,836.00	\$ 43,836.00	B	LNR806	Y
	LNR806	Planner IV	117226	N	\$ 45,840.00	N/A	B	LNR806	Y
10/28/07	LNR806	General Laborer I	117556	N	\$ 30,036.00	\$ 31,236.00	A	LNR806	Y
	LNR806	General Laborer I	117618	N	\$ 29,271.00	N/A	B	LNR806	Y
10/28/07	LNR806	Park Caretaker II	117624	N	\$ 29,271.00	\$ 31,236.00	B	LNR806	Y
3/25/06	LNR806	Clerk Typist II	117699	N	\$ 29,271.00	\$ 22,932.00	B	LNR806	Y
	LNR806	Cons/Mtnce Wkr I	117796	N	\$ 32,271.00	N/A	B	LNR806	Y
	LNR806	Water System Oper	97032C	N	\$ 31,068.00	pend establishment	B	LNR806	Y
	LNR806	Pk Interp Tech	98068C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech	98069C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Mtnce Supvr II	98070C	N	\$ 38,760.00	pend establishment	B	LNR806	Y
	LNR806	Park Caretaker II	118734	N	\$ 32,124.00	pend establishment	B	LNR806	Y
	LNR806	Park Caretaker II	118681	N	\$ 32,124.00	pend establishment	B	LNR806	Y
	LNR806	Park Caretaker II	118777	N	\$ 32,124.00	pend establishment	B	LNR806	Y
	LNR806	Hvy Equip Oper	98074C	N	\$ 41,364.00	pend establishment	B	LNR806	Y
	LNR806	Pk Interp Spclt	98075C	N	\$ 42,144.00	pend establishment	B	LNR806	N
	LNR806	Inter Pgm Spclt	98076C	N	\$ 42,144.00	pend establishment	B	LNR806	N
	LNR806	Inter Pgm Spclt	98077C	N	\$ 42,144.00	pend establishment	B	LNR806	N
	LNR806	Inter Pgm Spclt	98079C	N	\$ 42,144.00	pend establishment	B	LNR806	N

**Attachment 8  
All Positions Vacant As of 12/1/07**

	LNR806	Pk Interp Tech IV	98080C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech IV	98081C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech IV	98082C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech IV	98083C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech IV	98084C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Pk Interp Tech IV	98085C	N	\$ 29,640.00	pend establishment	B	LNR806	N
	LNR806	Property Mgr IV	98086C	N	\$ 42,144.00	pend establishment	B	LNR806	Y
	LNR806	Clerk Typist II	118778	N	\$ 23,736.00	N/A	B	LNR806	Y
	LNR806	Archaeologist III	98088C	N	\$ 51,312.00	N/A	B	LNR806	N
	LNR806	Archaeologist III	98089C	N	\$ 47,448.00	N/A	B	LNR806	N
3/22/07	LNR810	Engineer V	52368	N	\$ 69,624.00	\$ 60,024.00	A	LNR810	Y
	LNR810	Engineer V	98015C	N	\$ 49,906.00	pend establishment	A	LNR810	N
	LNR810	Clerk Typist II	98016C	N	\$ 19,242.00	pend establishment	A	LNR810	N
11/1/07	LNR906	Accountant V	10869	N	\$ 55,500.00	\$ 57,720.00	A	LNR906	Y
11/19/07	LNR906	Personnel Clerk V	13120	N	\$ 27,768.00	\$ 31,176.00	A	LNR906	Y
12/1/06	LNR906	Info Tech Spclt IV	48167	N	\$ 42,144.00	\$ 42,144.00	A	LNR906	Y
6/1/07	LNR906	Private Secretary II	100027	N	\$ 51,936.00	\$ 49,944.00	A	LNR906	Y
7/30/05	LNR906	Cultural Resources Spclt II	112516	Y	\$ 41,400.00	\$ 40,950.00	T	LNR906	Y
9/22/07	LNR906	Ocean Resources Spclt	113036	Y	\$ 48,205.00	\$ 46,800.00	T	LNR906	Y
10/22/07	LNR906	KIR Spclt	117428	Y	\$ 32,137.00	\$ 33,420.00	T	LNR906	Y
	LNR906	Accountant IV	118678	N	\$ 42,344.00	N/A	B	LNR906	Y
	LNR906	Contract & Procur Spclt	98091C	N	\$ 36,999.00	pend establishment	A	LNR906	Y

**Attachment 9**

**Listing of Expenditures Exceeding Federal Fund Ceiling for FY07 and FY08**

<u>Program ID</u>	<u>FY07 Ceiling</u>	<u>FY07 Expenditures</u>	<u>FY08 Ceiling</u>	<u>FY08 Expenditures</u>	<u>Reason for Exceeding Ceiling</u>	<u>Recurring (Y/N)</u>
LNR 153	765,500	1,669,705			New funds from USDOC, Hawaii Fisheries Disaster Appropriation, 2003 (PL 108-7), to provide direct assistance to to the fisheries, Research and Development proposal from the fishing industry.	N
LNR 153	708,210	637,573			Additional funds from USDO, Fish & Wildlife Service for Finfish Broodstock & Larvae Culture and Fish Aggregating Device System, Artificial Reefs and Ulua movement Projects	N
LNR 172	421,974	486,796	390,276	423,521	Additional funds from USDA, Forest Service for Forest Land Enhancement, Forest Stewardship and Urban & Community Forestry, and Forestry & Community Initiative Programs.	N
LNR 401	1,188,797	958,493			Additional funds available from USDOC, National Ocean Service for Coral Reef Management and Monitoring and for the Hawaiian Islands Humpback Whale Sanctuary	N
LNR 402	5,121,755	7,353,168			New funds from USFWS for National Coastal Wetland, State Wildlife Grant, Endangered Species, Section 6 and Native Dryland & Mesic Forest Protection.	N
LNR 804	532,994	1,466,053	541,066	1,606,079	Additional funds available from USFWS Wildlife Restoration Program and from the Federal Highways Administration for the Recreational Trails Program	N
LNR 402			5,119,080	20,092,745	The federal funds ceiling was increased by \$14,973,665 in FY08 to carryover \$6,702,755 in multi-year and unfinished project funds and incorporate \$8,270,910 in new federal grant funds for the Endangered Species Act Section 6 Program and the National Coastal Wetlands Program.	N
LNR 153			667,844	1,247,844	More federal funds (\$580,000) became available than originally estimated. The majority of the additional funds (\$500,000) are being used for a Fisheries Disaster Relief Program to assist local commercial fishers impacted by federal closures and restrictions. The remaining funds (\$80,000) are necessary due to increases in fuel and deployment cost for maintaining/improving the popular Fish Aggregating Device System	N

**Attachment 9**

**Listing of Expenditures Exceeding Federal Fund Ceiling for FY07 and FY08**

LNR 401			2,436,559	3,825,680	Additional federal funds (\$1,389,121) are being used for projects and studies in coral reef management/monitoring and the co-management of the Northwestern Hawaiian Islands Natural Marine Monument (\$364,521), alien coral/deep coral ecosystem/black and stony coral studies (\$186,000), additional funding for the co-management of the Hawaiian Islands Humpback Whale National Marine Sanctuary (\$78,000), operating cost for the Incidental Take Permit staff (\$11,000), research/management for alien invasive species projects (\$56,600), instream flow project (\$150,000), monitoring bottomfish populations (\$198,000), Hawaii marine recreational fishing survey (\$172,500), life histories/life cycle of key species (\$135,000), and stream/estuarine fisheries studies (\$37,500).
LNR 805			811,625	1,373,295	More federal funds became available than originally estimated. The additional funds (\$561,670) are being used on projects to expand the artificial reefs (\$137,500), study ulua resource assessment (\$82,500), survey of fish and habitat areas (\$258,000), control/eradication of exotic freshwater aquatic organisms (\$33,750) and the Hawaii Marine Recreational Fishing Survey (\$49,920).
	8,739,230	12,571,788	9,966,450	28,569,164	



**Attachment 10**  
**Listing of Transfers for FY07 and FY08**

<u>Program ID</u>	<u>FY07 Ceiling</u>	<u>FY07 Amount Transferred</u>	<u>FY08 Ceiling</u>	<u>FY08 Amount Transferred</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
LNR 153			880,926	(61,280)	Transfer funds to LNR 401 for the Aquatic Resources Program Manager Position. Transfer of position was approved by the Governor on 12/95/05.	Y
LNR 401			2,555,544	61,280	Transfer funds from LNR 153 for the Aquatic Resources Program Manager Position. Transfer of position was approved by the Governor on 12/95/05.	Y
LNR 401			2,555,544	150,000	General funds were transferred from LNR 404 to be used as match for 150,000 in federal funds to acquire instream flow information	No
LNR 404			2,412,434	(150,000)	General funds were transferred to LNR 401 to be used as match for 150,000 in federal funds to acquire instream flow information	No
LNR 402	300,000	300,000	300,000	500,000	To replenish Fire Fighting Contingency Fund	No
LNR 402	2,623,087	2,000,000	3,005,193	3,000,000	Transferred from LNR 407 to support the Invasive Species Council.	No
LNR 407	10,031,500	(2,000,000)	8,611,868	(3,000,000)	Transfer to LNR 402	No
LNR 402	2,623,087	(350,000)	3,405,193	(347,500)	Transfer to DOH Hawaii Invasive Species funds to support West Niles Virus Prevention project.	No
LNR 407	10,031,500	(1,000,000)			Transfer to County of Hawaii to control or to decrease Coqui Frogs population.	No
LNR 407	10,031,500	(500,000)			Transfer to DOA Hawaii Invasive Species funds to support the coqui control and eradication in Hawaii Island including research.	No
LNR 407	137,714	30,000			Funds transferred from LNR 402 to cover the payroll shortage due to overtime costs, temporary assignments, and vacation payouts and lack of vacancy savings.	No

**Attachment 10**  
**Listing of Transfers for FY07 and FY08**

LNR 804	1,380,705	50,000			Funds transferred from LNR 402 to cover the payroll shortage related to a larger than planned overtime costs, temporary assignments that exceeded the budgeted amounts for these purposes, and lack of vacancy savings.	No
LNR 402	3,372,769	(80,000)			Transfer 80,000 general funds funds to LNR LNR 407 and 804.	No
LNR 404	2,335,120	(133,057)			Transfer vacancy savings to State Parks to address public health and safety concerns	No
LNR 806	5577328	133,057			Transfer funds from LNR 404 to address public health and safety concerns	No



**DEPARTMENT OF LAND AND NATURAL RESOURCES  
DEPARTMENT-WIDE BUDGET SUMMARY INFORMATION**

**CIP REQUESTS FOR SUPPLEMENTAL YEAR 2008-2009**

**1. Lump Sum CIP, Improvements to Harbor Facilities, Statewide**

**Scope of Work:** DOBOR Harbor Facilities construction includes improvements to piers, docks, launch ramps, roads, parking, utilities and other related facilities.

**Justification:** DOBOR facilities were constructed over 30 years ago and have deteriorated to the extent that they pose public health and safety risks; and are beyond economic repair. The failure of these facilities will result in the loss of slips and income, which is needed to maintain this and other facilities statewide. In addition, many of its facilities are obsolete, unable to meet current program objectives, building codes and industry standards.

These improvements are needed to prevent continued pier and dock failures; provide adequate public service and facilities for residents and visitors; comply with Federal and State requirements in areas such as cesspool replacements and ADA barrier removal; maintain the State's responsibility for public health and safety; conform to current building codes and industry standards; support opportunities for ocean activities; and preserve Hawaii's natural and cultural resources.

<b>1a.</b>	<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>
	LNR 801	Lahaina SBH Pier and Utility Improvements, Maui	Plans - Design - Constr. 2500 Total 2500C

**Project No.** B46

**Scope of Work:** Construction includes the replacement of the existing marginal pier, support structure, utilities and related work.

**Justification:** This project will replace the existing wooden marginal pier, support structure and utilities, which are over 30-years old, have exceeded their usable life and are beyond economic repair. The marginal pier provides access to approximately 1/3 of the 99 vessels moored in the harbor, its closure would result in the displacement of slip holders and lost rental income.

Senate District: 5  
House District: 10

<b>1b.</b>	<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>	
	LNR 801	Honokohau SBH	Plans	-
		Improvements,	Design	-
		Hawaii	Constr	500
			Total	500C

Project No. B08

Scope of Work: Construction includes the replacement of the existing loading docks, utilities and related improvements.

Justification: This project will replace existing concrete loading docks, which are heavily used by the public. The loading docks, which are over 30-years old have exceeded their usable life and are beyond economic repair. Both docks are beginning to show signs of failure and will eventually become a safety hazard.

Senate District: 3  
House District: 6

<b>1c.</b>	<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>	
	LNR 801	Ala Wai SBH 700	Plans	-
		Row Improvements,	Design	-
		Oahu	Constr	2500
			Total	2500C

Project No. B71

Scope of Work: Construction includes the replacement of existing deteriorated concrete piers, utilities and related improvements.

Justification: This project will replace existing concrete piers, which are over 40-years old, have exceeded their usable life and are beyond economic repair. Over half of the docks are not in service due to safety concerns, resulting in the displacement of slip holders and lost rental income. This project would provide safe and usable piers for both boaters and visitors. Currently approximately 26% of the harbor's 724 slips have been condemned or will be out of service within the next 2 years.

Senate District: 12  
House District: 23



**2. State Parks Facility Improvements, Statewide**

**Scope of Work:** Design and construction costs for State Parks projects statewide for improvements to water systems, park facilities, roadways, natural hazard mitigation and other related improvements.

**Justification:** Facilities in the State Parks system were constructed over 30 years ago and have deteriorated to the extent that they pose public health and safety risks and substantially increase maintenance and repair costs. In addition, natural hazard conditions, such as, erosion, rockfalls, floods and wave action have contributed to facility deterioration and safety hazards:

The improvements in these facilities are needed to prevent continued system failures in such areas as water systems; to provide adequate public service and facility resources for residents and visitors; to comply with Federal and State requirements in areas such as cesspool replacements and ADA barrier removal; and maintain the State's responsibility for public health and safety.

<b>2a.</b>	<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>
	LNR 806	Kokee-Waimea	Plans -
		Canyon State Parks,	Design 800
		Kauai	Constr 1200
			Total 2000C

**Project No.** F46

**Scope of Work:** Design and construction of improvements to the water system serving the Kokee and Waimea Canyon State Parks and other users.

**Justification:** The Kokee/Waimea Canyon water system is a public water system and the primary source of water for State Park facilities, government and non-government facilities, and leasehold residents in the area. Deterioration, age and increased usage have resulted in frequent failures in the system. These failures have resulted in high repair and maintenance costs, loss of service to water users, and risks to public health and safety. Additional water sources or wells are needed to meet the water supply needs of system users. The completion of this project will ensure public health and safety, and reduce high repair and maintenance costs to the State. Also, an additional water source will be added to the system and the Governor's initiative for clean and safe park facilities will be implemented.

Senate District: 7  
House District: 16

2b,	<u>Program ID</u>	<u>Project Title</u>		<u>FY 2009 (in thousands)</u>
	LNR 806	Ka Iwi Scenic Shoreline, Oahu	Plans	-
			Design	
			Constr	1500
			Total	1500C

Project No. H68

Scope of Work: Construction of improvements to the entry road/pathway of the Makapuu Lighthouse including roadway/pathway improvements, new lookout and rest stops, stairway improvements and improvements to the existing lookouts.

Justification: The increased usage of the entry road as a hiking trail and the lookouts and the deterioration of the roadway and lookouts from age, weathering and other natural conditions have resulted in unsafe and hazardous conditions. Park users comprise of all age groups and the current condition of the roadway/path pose increased risks to public safety. In addition, the roadway serves Federal maintenance staff for the Makapuu Lighthouse and continued deterioration of the roadway will prevent the efficient operation of this facility and affect national security policies. The State is required to keep passable access of this roadway for the U.S. Coast Guard.

Senate District: 25  
House District: 17

2c.	<u>Program ID</u>	<u>Project Title</u>		<u>FY 2009 (in thousands)</u>
	LNR 806	Natural Hazard Mitigation, Statewide	Plans	-
			Design	100
			Constr	900
			Total	1,000C

Project No. H46

Scope of Work: Design and construction of natural hazard mitigation measures and related improvements including: rock face scaling; slope and erosion stabilization; aboreal assessment and removal; weather-proofing roofing and other structural improvements; flood damage mitigation and drainage improvements; fire emergencies and other measures.



**Justification:** Recent severe weather trends have caused rockfalls, slope erosion, flood damage, structural deterioration, falling tree hazards, and dangerous drought conditions statewide. These events have severely strained limited maintenance funds and resources and required emergency services to address brushfires, road closures, and other events. Risks to public health and safety increase as severe natural hazards and facilitation from anthropogenic activities in natural areas lead to deterioration of park resources and facilities.

Senate District: Statewide  
House District: Statewide

2d.	<u>Program ID</u>	<u>Project Title</u>		<u>FY 2009 (in thousands)</u>
	LNR 806	Wailua River State Park, Kauai	Plans	-
			Design	-
			Constr	500
			Total	500C

Project No. F54

**Scope of Work:** Construction of improvements to the Opaekaa Falls Lookout section of the park including: parking area improvements, such as repaving, restriping, bus parking designation, and accessibility compliance; and, lookout improvements, such as, pathway and railing improvements, accessible viewing area, and other related improvements.

**Justification:** The Opaekaa Falls Lookout is a popular visitor and resident attraction and increased usage has resulted in crowded conditions, parking and traffic congestion, deteriorated pathway and parking areas, and increased risk to public safety from narrow path corridors. In addition, the parking and lookout facilities are not compliant with accessibility requirements, which DLNR has legal mandates to address.

Senate District: 7  
House District: 15

### 3. North Kona Water System Improvements, Hawaii

<u>Prog ID</u>	<u>Project Title</u>		<u>FY 2009 (in thousands)</u>
LNR 141	North Kona Water System Improvements, Hawaii	Plans	1,200
		Land	5
		Design	1,700
		Constr	-
		TOTAL	2,905 C

Project No. G21C

Scope of Work: Planning, land acquisition, design and construction funds for water system improvements, including studies, water sources, waterlines, pressure reducing valve stations, storage reservoirs and other related work, to support future State sponsored projects in North Kona.

Justification: There is a need to improve the water system in the North Kona area due to increased water demands generated from proposed State-sponsored projects and private development. The existing system is barely able to meet current water demands.

A) \$8.885M – Private development (Hiluhilu Developer) in the North Kona area, which has been dormant for several years, is anticipated to pick up substantially in the near future. There exists a unique opportunity to partner with private entities to cost share in some of the identified improvements, which would reduce costs to the State while meeting its water needs. This will involve oversizing transmission lines and reservoirs. State sponsored projects to benefit from this request include the Natural Energy Laboratory, University of Hawaii at West Hawaii, Queen Kaahumanu Highway widening, Keahole-Kona International Airport and Keahole Agricultural Park.  
B) \$5.52 M – To support DHHL and HCDCH development timeline for new sources (3 exploratory wells).

Senate District 3

House District 7

### 4. Waimea Wells, Hawaii

<u>Prog ID</u>	<u>Project Title</u>		<u>FY 2009 (in thousands)</u>
LNR 141	Waimea Wells, Hawaii	Plans	150
		Land	1
		Design	325
		Constr	1,500
		TOTAL	1,976 C

Project No. G76B

Scope of Work: Planning, land acquisition, design and construction funds for well exploration and development, including well drilling, casing installation, pump testing, pump, controls, control building, connecting pipeline and other related work.

Justification: Growth in the Waimea area has created a potable water shortage. Increasing costs and regulatory requirements for surface water treatment makes it desirable for the Waimea water system to switch to groundwater sources. Partial funding will be provided by the County of Hawaii Department of Water Supply. (Project is currently under design by the County DWS). If deferred or denied, State projects in the Waimea area, including the Waimea Civic Center/State Office Building 3, Waimea Elementary School 1<sup>st</sup>/2<sup>nd</sup> Increments, Waimea Intermediate School additions and DLNR Conservation Education Facility may be unable to get water service. (This will also include DHHL's projects in the Waimea area).

Senate District 3  
House District 7

**5. Kawai Nui Marsh Habitat Restoration Project, Oahu**

<u>Prog ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>	
LNR 402	Kawai Nui Marsh Habitat Restoration Project, Oahu	Plans	0
		Land	0
		Design	0
		Construction	500
		Equipment	0
		TOTAL	500 C

Project No.

Scope of Work: Additional funding for state match for Army Corps of Engineers habitat restoration project to construct wildlife conservation facilities including: shallow ponds, water control structures, vegetation removal, boundary fencing, mowing, stream clearing and predator control. This project provides additional state matching funds to

complete construction of the \$6,759,000 Kawai Nui Marsh restoration project. The project is being jointly federally funded with the ACOE providing \$5,000,000 of the total project costs and the state providing \$1,759,000.

Justification:

The project implements the wildlife habitat restoration component recommended in the 1994 Kawainui Marsh Master Plan and Hawaii Endangered Waterbird Recovery Plans. The project also becomes the foundation for other educational, environmental, cultural, recreational and ecotourism opportunities in the Marsh. Without the habitat restoration, the marsh will remain in the current state of degradation with little wildlife and community use values. If implemented, the project will help to restore 4 endangered waterbirds on Oahu and become the focus of community and volunteer efforts to restore the wildlife habitat in the marsh. The project will create scenic open space, reduce runoff to reef, increase populations of endangered Hawaiian stilt, moorhen, duck and coot, and remove invasive weeds from the marsh. The project implements the major environmental restoration action contemplated in Act 235, SLH 2007 and the transfer of City & County of Honolulu lands in Kawai Nui marsh to the State.

Senate District 0  
House District 0

**6. State Parks Efficiency and Conservation Improvements, Statewide**

<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>
LNR 806	State Parks Energy Plans	-
	Efficiency and Design	250
	Conservation Constr	-
	Improvements, Total	250C
	Statewide	

Project No. H55

Scope of Work: Design of energy efficiency improvements including retrofitting existing facilities and lighting fixtures with efficient replacements, utilizing solar water heating, where applicable, and water conservation measures.

Justification: Energy usage at Parks is largely from lighting, i.e., parking areas; camping pavilions and comfort stations; rental cabins; and Parks'

maintenance facilities including baseyards and caretakers' residences. These park facilities utilize outdated, inefficient lighting and heating fixtures and methods leading to higher maintenance costs and unavailability of replacement fixtures. These improvements are needed to facilitate the State of Hawaii's compliance with energy conservation and efficiency policies in facilitating energy sustainability.

Senate District: Statewide  
House District: Statewide

**7. DOCARE Office, Honokohau Harbor, Hawaii**

<u>Prog ID</u>	<u>Project Title</u>	<u>FY2009 (in thousands)</u>	
LNR 405	DOCARE Office	Plans	10
	Honokohau Harbor,	Design	30
	Hawaii	Constr	60
		TOTAL	100

Project No.

Scope of Work: Plan, design and construction of office and facility improvements including: cesspool closure, new septic system and leach field; demolition of existing Harbor Master Office; new office facility; replacement of perimeter fencing and secured gate, and related improvements.

Justification: The existing facility is owned by the State of Hawaii and provides a cost effective means to implement public safety and environmental protection responsibilities. The existing office structure is unsafe and deteriorated from termite damage, office space is limited, the existing fencing has deteriorated from age, and the sewer system is not in compliance with current standards.

Senate District 03  
House District 06

**8. Warning and Information Signage at DOFAW Facilities, Statewide**

<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>	
LNR 804	Informational and Natural Hazard Warning Signage, Statewide	Plans	-
		Design	-
		Constr.	150
		Total	150B

Project No.

Scope of Work: Construction of informational and natural hazard warning signage.

Justification: Informational, directional and natural hazard warning signage is needed to maximize public safety and enjoyment along managed trails and access roads that are frequented by the public and that may possess uncertain natural or environmental conditions. The signage will provide greater assurance and warning to the public related to directional and other resource related information, in addition to providing the legal safeguards for DLNR in incidents resulting in personal injury or property damage. The completion of this project will ensure public health and safety and the implement the Governor's initiative for safe recreational facilities.

Senate District 0

House District 0

**9. Ahihi-Kinaiu Natural Area Reserve, Maui**

<u>Program ID</u>	<u>Project Title</u>	<u>Financial Requirements</u>	
		<u>(in \$1,000s)</u>	
		<u>FY 2009 and MOF</u>	
LNR 407	Improvement public use facilities at Ahihi-Kinaiu Natural Area Reserve, Maui	Plans	0
		Land	0
		Design	20
		Const	80
		Equip	0
		Total	100

Project No.

Scope of Work: Plan, design, permit and construct 150' x 120' parking lot and 12' x 12' parking lot attendant booth.

Justification: Current parking lot is not level, rough and uneven with large rocks jutting out that can cause damage to vehicle undercarriages. This is the main parking area for Reserve visitors and where visitor use is expected to increase in future. Cars may continue to be damaged by unimproved parking lot, less vehicles will be able to park, management of parking area including possible fee collection will not be possible.

Senate District 5  
House District 11

**10. Public Lands Management, Statewide : Request to Change MOF from B to C**

<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009</u>
LNR 101	Dam Assessments Plans	
	Maintenance & Design	
	Remediation Constr	2,270
	Statewide Total	2,270 C

Project No.

Scope of Work: This project will perform assessments, maintenance and remediation work on the ten (10) regulated dams under the jurisdiction of the Department.

Justification: This project will address the needs of ten (10) regulated dams under the jurisdiction of the Department. Tasks include: assessments – hydraulic, stability/seepage and seismic analyses, and preparation of Emergency Action Plans (EAPs); initial annual maintenance of non-leased dams; and remediation – design and construction of required improvements, which may include new outlet and/or spillway structure, embankment modification, vegetation removal, spillway repairs or new catwalk. If deferred, public safety may be compromised. This project will correct deficiencies in the dams under DLNR jurisdiction and bring them up to current standards. Future annual maintenance costs will be sought within the operating budget. The breach of Kaloko Dam, with its consequent loss of lives and property damage, draws attention to the critical need for activities to address dam safety.

Senate District: 0

House District: 0

**11. Mauna Kea Composting Toilets, Hawaii**

<u>Program ID</u>	<u>Project Title</u>	<u>FY 2009 (in thousands)</u>
LNR 804	Plan, Design, Plans	1
	Construction and Design	2
	Equipment for Constr.	47
	Mauna Kea Equip.	200
	Composting toilets Total	250B

Project No.

Scope of Work: Plans, Design, Construction and Equipment for the Installation of Composting (waterless) toilets at Mauna Kea Forest Reserve.

Justification: Due to increasing public recreational use and a lack of comfort stations, there is a need to install a series of composting toilets at Mauna Kea in order to provide infrastructure to collect human waste for the comfort of the general public and for the protection of the surrounding environment.

Senate District 1  
House District 1

**12. DOCARE Office and Baseyard, Oahu**

<u>Prog ID</u>	<u>Project Title</u>	<u>FY2009 (in thousands)</u>	
LNR 405	DOCARE Office and Baseyard, Oahu	Plans	10
		Design	50
		Constr	440
		TOTAL	500

Project No.

Scope of Work: Plan, design and construction of improvements to the DOCARE office and baseyard facility in Pearl City, Oahu, including; roofing replacement and improvements including rain barriers; accessibility improvements including pathway, ramps and entry improvements, replacement of exterior siding, construction of covered parking for patrol vehicles, storage security improvements and related improvements.

Justification: The existing wooden structures have incurred significant water damage from the lack of appropriate weather protection measures, and connecting ramp and pathways are not compliant with current accessibility requirements and regulations. Also, there is no adequate protection for patrol vehicles from exterior elements.

Senate District 16  
House District 036



**DEPARTMENT OF LAND AND NATURAL RESOURCES  
DEPARTMENT-WIDE BUDGET SUMMARY INFORMATION**

**PROPOSED LAPSES OF CIP PROJECTS FOR SUPPLEMENTAL YEAR 2008-2009**

Act/Yr	Item No.	Proj No.	Project Title and Reason for Lapsing	MOF	Amount
213/07	A-12		North Kona Water System Improvements, Hawaii - unable to implement project with MOF U funds; reauthorization with MOF C funds requested	U	2,905,000
<b>TOTAL</b>					<b>2,905,000</b>

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 11 03 07 01

Program I.D. and Title: LNR 101 - Public Lands Management

**I. Introduction**

**A. Summary Of Program Objectives**

1. To ensure the effective and efficient use of public lands in ways that will fulfill the public land trust obligations and promote the sustained social, environmental and economical well-being of Hawaii's people, including planning for the use of and developing State lands, leasing lands for agricultural, commercial, industrial and resort purposes, issuing revocable permits and easements, taking inventory of and managing public lands, and ensuring the availability of lands for public purposes. (Chapter 171, Hawaii Revised Statutes)
2. To conserve, protect, and preserve important natural resources of the state through appropriate management and to promote their long-term sustainability and the public health, safety and welfare through regulation and enforcement of land use laws under Chapter 183C, Hawaii Revised Statutes; and protect and restore sandy beaches around the state through improving planning and early identification of coastal hazards, as well as through beach restoration and avoidance of coastal hazards.

**B. Description Of Program Objectives**

1. The Land Division is responsible for overseeing approximately 1.3 million acres of public lands. The large majority of these lands comprise the Public Land Trust, or lands that were ceded to the United States by the Republic and returned upon admission as a state. Use of Public Land Trust lands are guided by the following five purposes as defined in the Admission Act: (1) the support of the public schools and other public educational institutions; (2) the betterment of the conditions of native Hawaiians; (3) the development of farm and home ownership; (4) the making of public improvements; and (5) the provision of lands for public use.

The Land Division generates revenues through sales, leases, month-to-month

permits, land and water licenses, easements and other dispositions. Twenty percent of revenues generated from Public Land Trust lands have been transferred to the Office of Hawaiian Affairs while the majority of the remaining funds go into the general fund.

The Land Division ensures that lands are available for public uses by government agencies for a variety of public purposes, including schools, parks, forests, roads and highways, public works, hospitals, harbors and airports.

A major program area funded by the Land Division is the regulation and enforcement of land use laws in the State Land Use Conservation District through the Office of Conservation and Coastal Lands (OCCL). The OCCL is responsible for overseeing approximately 2 million acres of private and public lands that lie within the State Land Use Conservation District. In addition to privately and publicly zoned Conservation District lands, OCCL is responsible for overseeing beach and submerged lands out to the seaward extent of the State's jurisdiction.

The use of Conservation District lands is regulated by Chapter 13-5, Hawaii Administrative Rules (HAR), "Conservation District" and Chapter 183C, Hawaii Revised Statutes (HRS). These rules and regulations identify land uses that require Conservation District use Permits (CDUP) as well as impose fines for violations within the district. The potential uses of Conservation District lands are numerous. During the past few years, OCCL has processed CDUP's for open ocean aquaculture projects, telescopes on top of Mauna Kea, major power line projects on scenic ridges, and telecommunication facilities.

The OCCL is a small office with multiple functions, such as: permit processing, prosecution of land use violations, resolution of shoreline encroachments, implementation of beach restoration projects (i.e. Waikiki Beach Improvements), and administration of contested cases. The OCCL provides information to landowners, decision makers and the general public regarding Conservation District matters. The OCCL provides direction and guidance on a wide variety of coastal issues. This includes response to coastal erosion, coastal development setbacks, and beach nourishment. Additionally, OCCL is partnering with the University of Hawaii, Sea Grant Program, U.S. National Oceanic and Atmospheric Administration (NOAA), and the Coastal Zone Management Program to publish the Coastal Hazard Mitigation Guidebook.

2. For FY 2008-2009, the Division seeks an increase in the spending ceiling for the Special Land Development Fund by \$120,000 to purchase replacement vehicles. The Land Maintenance Crew supports the Land Division and the

crew needs a one-ton crew cab pick-up truck for land maintenance related tasks. The Maui District Land Office needs a pick-up truck for land maintenance related tasks such as inspecting State owned lands, streams and ditches on the island of Maui and a passenger vehicle for site inspections of Maui leases, permits and encumbrances.

**C. Explanation Of How The Program Intends To Meet Its Objectives Within The Upcoming Supplemental Year**

1. The Division activities for achieving its objectives include:

Disposition of State lands through fee sale, lease, permit, grant of easement, license, executive order or other types of dispositions. Issuance of leases and permits for agricultural, commercial, industrial, residential, eleemosynary and resort uses.

Acquisition of private lands and lands owned by other government entities that are required by the State agencies, through negotiation, condemnation or land exchange. Such lands will then be set aside to those government agencies requiring them.

Administration of leases and permits. Functions include conducting site inspections, processing lessee requests for consents to mortgages or assignments, and the ongoing enforcement of lease terms and conditions to ensure rent, insurance, performance bond and other lease requirements are met in a full and timely manner.

Property management of unencumbered State lands. Functions include responding to and addressing complaints by the public and conducting land maintenance activities (e.g. clearing stream mouths, cutting trees, towing abandoned vehicles, and cleaning illegal dumps).

Provide technical services for the public and other government agencies. The Land Division maintains a comprehensive inventory of all State-owned, public lands and also serves as a repository of all land documents dating back to the "Great Mahele" of 1848. The Division also provides abstracting and appraisal services and advice to other State agencies. The Division is also responsible for processing shoreline certifications for coastal properties.

Pursue planning and development initiatives on public lands. Such proactive measures ensure more effective and efficient use of public lands to fulfill our trust obligations, promotes economic activity in Hawaii, and eases the tax burden on the general public by facilitating self-sustaining revenue generation for the division.

Regulation and enforcement of land use laws in the State Land Use Conservation District to ensure the protection of natural resources in this District. The Office of Conservation and Coastal Lands processes Conservation District Use Applications, investigates violations, monitors permits, process contested case hearings, conduct rule amendments, perform beach restoration projects, shoreline certification services, provide remedial erosion solutions and develop shoreline development polices.

Strict compliance with 180-day processing period limits for CDUAs, completion of administrative rule amendments to streamline and improve regulatory processes, formulation of cost sharing agreements for beach restoration, prosecution of enforcement actions for unauthorized land uses in the conservation district, continuation of site visits to complete shoreline certifications, and development of additional education materials, plans and policies to deal with the effects of sea level rise and coastal hazards.

## **II. Program Performance Results**

### **A. Discuss The Program Performance Results Achieved In FY 2007**

1. In FY 2007, the Land Division generated approximately \$16 million in revenues. The Division also completed 2 land acquisitions for public uses, issued 32 set asides to government agencies, maintained delinquent accounts of 4.0% of total accounts, and conducted 199 inspections of State land. In FY 2006, the Division generated about \$16 million in revenues, made 4 land acquisitions, issued 44 set asides, maintained delinquent accounts of 4.5% of total accounts, and conducted 513 inspections of State land.
2. In FY 2007, OCCL processed over 80 Conservation District Use Applications, 80 violations, nearly 300 correspondences, and 50 Site Plan Approvals. OCCL conducted 117 site visits for shoreline certifications and acted with DAGS and Land Division in certifying 99 shorelines. OCCL completed 3 rules amendments and 15 shoreline encroachments. Through FY '06, OCCL conducted statewide workshops on two separate occasions, completed and distributed publications regarding shoreline hazards and improved shoreline management, and maintained data recovery efforts to study shoreline erosion rates.

### **B. Explanation Of How These Performance Results Relate To Program's Objectives And Department's Mission**

1. The Land Division is responsible for ensuring the effective and efficient use and management of public lands in ways that will fulfill the public land trust obligations and promote the sustained social, environmental and economical well-being of Hawaii's people. The objectives established measure how well

the Division is performing these management responsibilities.

**C. Explain How The Effectiveness Of The Program Is Measured (i.e.: Outcomes, Measures Of Effectiveness, Benchmarks, etc.) And Discuss The Performance Results Achieved During The Past Two Years**

1. Outcome objectives have been set for the performance of land management districts, including maintaining no more than a 5% delinquency rate on rent collection, performing annual inspections of encumbered State lands, ensuring timely enforcement of all lease requirements (including insurance, performance bond, rental reopenings, etc.) and processing of disposition requests.
2. Number of CDUA's processed within 180-day processing period and number of CDUAs processed within 120-days.

**D. Discuss Actions Taken By Each Program To Improve Its Performance Results**

1. Over the past several years, the Land Division has taken actions to completely revamp the way business is conducted. A primary focus has been on improving fundamental management practices. In response to findings by the Legislative Auditor, major initiatives have been completed over the past few years to improve records management. The Division's first procedures manual was developed and is available on the Division's network in electronic form for easy access by staff. Land Board submittals, correspondence and various forms used in the processing of land dispositions have been standardized and are also available on the network as templates.

Another major area of focus was the use of technology to streamline and improve the Land Division's operations. Starting in 1999, the Land Division planned, designed and implemented the new State Land Information Management System (SLIMS). SLIMS integrates the three major functionalities: accounts receivable, land inventory, and property/lease management. For the first time in the management of Hawaii's public lands, staff can instantly query the system for information on a particular lease or land parcel. Future plans include incorporating GIS, web-based access and other related capabilities.

The Land Division has established a planning and development function to more proactively develop underutilized public lands, to examine highest and best uses and to generate additional revenues to the State. In the past, the Division was reactive in its management of public lands, being driven by requests received from various parties, mostly government agencies. The planning and development component allows the Division to more

proactively fulfill its trust obligations. The Division has been pursuing activities to develop lands for industrial parks and mixed-use projects and to rezone lands to be able to lease them out at a higher use.

**E. Identify All Modifications To The Program's Performance Measures And Discuss The Rationale For These Modifications**

1. "Amount of total revenues generated" was added as a measure of effectiveness. While revenues to the Office of Hawaiian Affairs and the Department of Hawaiian Home Lands were reflected as performance measures, there was no measure representing total revenues. The Department added this measure to recognize all revenues generated by the Land Division.

**III. Problems and Issues**

**A. Discuss Any Problems And Issues Encountered By The Program**

None.

**B. Program Change Recommendations To Remedy Problems**

None.

**C. Identify Any Program Issues Or Problems That Have Affected Or Will Affect The Implementation Of The Program And The Corrective Measures Or Remedies Established Or Planned**

None.

**IV. Expenditures for FY 2008**

	<u>Appropriation Act 213/2007 FY 2007-08</u>	<u>Collective Bargaining</u>	<u>Transfer In Transfer (Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditure</u>
(Pos. Count)					
Personal Services	(51.00) 3,233,607	97,890	0		(51.00) 3,331,497
Current Expenses	8,173,632	0	0	0	8,173,632
Equipment	109,700	0	0	0	109,700

Motor Vehicles	70,000	0	0	0	70,000
(Pos. Count)	(51.00)				(51.00)
Total	11,586,939	97,890	0	0	11,684,829
Less:					
(Pos. Count)	(51.00)				(51.00)
Special Funds	11,512,831	97,890	0	0	11,610,721
(Pos. Count)	(0.00)				(0.00)
Federal Funds	74,108	0	0	0	74,108
(Pos. Count)	(0.00)				(0.00)
General Funds	0	0	0	0	0
	11,586,939	97,890	0	0	11,684,829

**A. Explain Of All Transfers Within The Program I.D. And Its Impact On The Program**

None.

**B. Explain Of All Transfers Between Program I.D. And The Impact To The Program**

None

**C. Explain Any Restrictions And Their Impact On The Program**

None.

**V. Supplemental Budget Requests For FY 2009**

	Appropriation Act 213/2007 <u>FY 2008-2009</u>	Budget Adjustment <u>FY 2008-2009</u>	Supplement Requests <u>FY 2008-2009</u>
(Pos. Count)	(51.00)		(51.00)
Personal Services	3,331,497		3,331,497
Current Expenses	8,173,632		8,173,632
Equipment	109,700		109,700



Motor Vehicles	35,000	120,000	155,000
(Pos. Count)	(51.00)	(51.00)	(51.00)
Total Requirements	11,649,829	120,000	11,769,829
Less:			
(Pos. Count)	(51.00)		(51.00)
Special Funds	11,575,721	120,000	11,695,721
(Pos. Count)	(0.00)		(0.00)
Federal Funds	74,108		748,108
(Pos. Count)	(0.00)	(0.00)	(0.00)
General Funds	0	0	0
	(51.00)		(51.00)
	11,649,829		11,769,829

**A. Workload Or Program Request (Description of the request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding. For all lump sum requests, please provide a detailed breakout indicating specific purposes for all planned expenditures.)**

1. FY 2008-2009 increase the spending ceiling for the Special Land Development Fund by \$120,000 to purchase replacement vehicles. The Land Maintenance Crew supports the Land Division. A one-ton crew cab pick-up truck is needed for land maintenance related tasks. The Maui District Land Office inspects State owned lands, streams and ditches on the island of Maui. A pick-up truck is needed for land maintenance related tasks and a passenger vehicle is needed for site inspections of Maui leases, permits and encumbrances.

**B. For All Position Count Reductions, Please Specify Whether The Positions Were Filled Or Vacant**

None.

**VI. Program Restrictions (Identify Restrictions Carried Over From FY 2008 As Well As Additional Reductions Due To Department Of Budget and Finance's Budget Ceiling For FY 2009. If no reduction is being proposed, please indicate 'none'.)**

None.

**VII. Capital Improvement Projects Requests For FY 2009 (CIP data for all projects within the agency being heard shall be combined into a single appendix in the department's testimony. If no request is being made, please indicate 'none'.)**

**A. Project Title And Description**

Dam Assessments, Maintenance and Remediation, Statewide. This project will perform plans, design and construction for assessments, maintenance and remediation work of ten (10) regulated dams under the jurisdiction of the Department.

**B. Financial Requirements By Project Phase And Means Of Financing**

In FY 2008, \$1,140,000 is for plans, \$2,540,000 is for design and \$50,000 is for construction. In FY 2009, \$16,800,000 is for construction. The program is unable to implement the project under current MOF B funds. Reauthorization with MOF C funds is needed.

**C. Explanation And Scope Of Project**

This project will address the needs of ten (10) regulated dams under the jurisdiction of the Department. Tasks include: (1) assessments (hydraulic, stability/seepage and seismic analyses, and the preparation of Emergency Action Plans), (2) initial annual maintenance of non-leased dams, and (3) remediation (design and construction of requirement improvements, which may include new outlet and/or spillway structure, embankment modification, vegetation removal, spillway repairs or new catwalk).

**D. Justification For The Project**

This project will correct deficiencies in the dams under the jurisdiction of the Department and bring them up to current standards. The breach of Kaloko Dam with its consequent loss of lives and property damage draws attention to the critical need for activities to address dam safety. If deferred, public safety may be compromised.

**E. For All Lump Sum Requests, Please Provide A Specific Breakout Detailing Specific Projects For All Planned Expenditures**

In FY 2008, \$1,140,000 is for plans, \$2,540,000 is for design and \$50,000 is for construction. In FY 2009, \$16,800,000 is for construction.

**F. Senate And House District(s) For The Project**

**VIII. Proposed Lapses Of Capital Improvement Program Projects (Any CIP project identified for lapse shall include the following: project title, act and year of project appropriation, amount requested for lapse and means of financing, and justification for lapse of the project. If no lapses are being proposed, please indicate 'none.')**

None.

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 10 03 03

Program I.D. and Title: LNR 111, Conveyances and Recordings

**I. Introduction**

**A. Summary Of Program Objectives**

To protect the public by providing for an accurate, timely, and permanent system of registering and recording land title and related documents and maps.

**B. Description Of Program Objectives**

1. Examining, recording, indexing, and processing land title and other related legal documents and maps entitled to recordation under the Regular and Land Court Systems
2. Issuing Land Court Certificates of Title
3. Certifying copies of matters of record
4. Conducting records and Uniform Commercial Code (UCC) searches

**C. Explain How Your Program Intends To Meet Its Objectives Within The Upcoming Supplemental Year**

A working group made up of various industry representatives and the union was organized to discuss and create an RFP to automate the recording process. Ideas from the working group was presented for staff input and acceptance. The automation will provide for electronic filings and improved indexing capabilities. The Bureau is working to upgrade its computer memory that will improve staff efficiency and the flow of information to the real estate industry. Internet access to recording information is currently available and future enhancements to improve this service are being considered.

**II. Program Performance Results**

**A. Discuss The Program Performance Results Achieved In Fiscal Year (FY) 2007**

The Bureau recorded 414,793 documents in FY 2007 and generated revenues over \$60.0 million. This included \$10,031,600 in recordation fees, and \$48,328,401 in conveyance taxes and penalties. In FY 2006, the Bureau recorded 421,481 documents and collected over \$68.8 million of revenue. This included the

collection of \$10,206,950 in recordation fees, and \$56,645,703 in conveyance taxes and penalties. The conveyance tax supports the Land Conservation Fund, Natural Area Reserve Fund, Rental Housing Trust Fund, and Legacy Land Trust Fund.

**B. Explanation How These Results Relate to Program's Objectives And Department's Mission**

These results enable the Department to realize substantial revenues that are beneficial to the State's economy and provide increased revenues to support the Bureau's objective to enhance, expand, and improve services to the public.

**C. Explain How The Effectiveness Of The Program Is Measured (i.e.: Outcomes, Measures Of Effectiveness, Benchmarks, etc.) And Discuss The Performance Results Achieved During The Past Two Years**

The program's effectiveness is determined by the number of Land Court and Regular System documents and maps recorded and processed daily, Land Court Certificates issued, certified copies issued, and UCC searches completed.

1. The number of documents recorded in FY2007 was 414,793, a decrease of 1.6% from FY2006. Recorded documents in FY2006 decreased slightly over 1% from FY2005.
2. The number of certificates of title issued by the Bureau 53,464 in FY2007, reflects no significant change from FY2005.
3. The number of UCC searches requested and completed during this time has decreased due to the greater availability of information online, enabling the public to perform their own searches.
4. The total revenue generated has increased due to the changes in HRS247 increasing the tax rate for real property transfers.

**D. Discuss Actions Taken To Improve Performance Results**

The Bureau needs to rely on a stable source of revenue to manage and support the substantial increase in daily recordings. Delays in recordings will have serious consequences on Hawaii's real estate industry.

By becoming totally self-sufficient, the Bureau has been able to expand and improve services to the public worldwide through internet access; maintain its critical network of hardware and software; facilitate land transactions in the state and contribute to the growth of the information industry and its potential to generate other avenues for State revenue, e.g. sales of computerized data, online subscription and purchase of certified copies.

**E. Identify All Modifications To The Program's Performance Measures And Discuss The Rationale For These Modifications**

None

**III. Problems and Issues**

**A. Discuss Any Problems And Issues Encountered By The Program**

The Bureau's workload is significantly affected by economic conditions and legislation such as low mortgage interest rates, increases in real estate sales, lease to fee conversions, and timeshare activities. Recordings has decreased over the years, however, a scarcity of qualified eligible applicants has had a negative impact on staffing. This has resulted in large amounts of routine daily overtime to address the volume of recordings while attempting to minimize the backlog of transactions.

**B. Program Change Recommendations To Remedy Problems**

To remedy the problems and improve public access to recorded information, revenue from recording fees to support the operations of the program needs to continue.

The Bureau is working on enhancements and automation programs to facilitate the recording process. The changes will result in organizational realignments, changes in position descriptions, expanded technology, and increased partnerships with the private sector.

**C. Identify Any Program Issues Or Problems That Have Affected Or Will Affect The Implementation Of The Program, And The Corrective Measures Or Remedies Established Or Planned**

Act 178, SLH 2003, amended §502-8, HRS, such that all moneys in excess of \$500,000 in the Bureau of Conveyances Special Fund on June 30 each year shall lapse to the credit of the State General Fund. Should Hawaii experience a period of slow real estate sales and high interest rates, resulting in severe decreases in revenue, the Bureau's ability to maintain services will be jeopardized.

The Bureau is proceeding with implementation of the changes recommended by the working group that will provide better customer service and more efficient document recording and conveyance tax collection.

**IV. Projected Expenditures for Fiscal Year 2007-2008**

	<u>Appropriation Act 213/2007 FY 2007-08</u>	<u>Collective Bargaining</u>	<u>Transfer In Transfer (Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditures</u>
(Pos. Count)	(60.00)				(60.00)
Personal Services	3,330,680	99,788	0	0	3,430,468
Current Expenses	766,390	0	0	0	766,390
Equipment	36,300	0	0	0	36,300
Motor Vehicles	0	0	0	0	0
<hr/>					
(Pos. Count)	(60.00)				(60.00)
Total Requirements	4,133,370	99,788	0	0	4,233,158
Less:					
(Pos. Count)	(60.00)				(60.00)
Special Funds	4,133,370	99,788	0	0	4,233,158
(Pos. Count)	(0.00)				(0.00)
Federal Funds	0	0	0	0	0
(Pos. Count)	(0.00)				(0.00)
General Funds	0	0	0	0	0

**A. Explanation Of All Transfers Within The Program I.D. And Its Impact On The Program**

None

**B. Explanation Of All Transfers Between Program I.D. And The Impact To The Program**

None

**C. Restrictions And Their Impact On The Program**

None

**V. Supplemental Budget Request For FY 2008 - 2009**

	Appropriation Act 213/2007	Budget Adjustment	Supplemental Requests
	<u>FY 2008-09</u>	<u>FY 2008-2009</u>	<u>FY 2008- 2009</u>
(Pos. Count)	(60.00)	0	(60.00)
Personal Services	3,330,680	0	3,330,680
Current Expenses	709,190	500,000	1,209,190
Equipment		0	0
Motor Vehicles	0	0	0
<hr/>			
(Pos. Count)	(60.00)	-	(60.00)
Total			
Requirements	4,039,870	500,000	4,539,870
Less:			
(Pos. Count)	(60.00)		(60.00)
Special Funds	4,039,870	500,000	4,539,870
(Pos. Count)	(0.00)		(0.00)
Federal Funds	0	0	0
(Pos. Count)	(0.00)		(0.00)
General Funds	0	0	0

**A. Workload Or Program Request (Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding)**

The operating budget request includes \$500,000 to finance upgrades to existing BCIS hardware and software, implementation of automated recording processes (electronic filings) and related maintenance. Development of a secure on-line system for the filing of documents utilizing technology to ensure mandatory data is included, on-line payment processing resulting in "real time" data being made available through an improved networking platform.

The Bureau of Conveyances Special Fund will cover requested increase.



**B. For All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant**

None

**VI. Identify Restrictions Carried Over From FY 2006-2007 As Well As Additional Reductions Due To The Department Of Budget and Finance's Budget Ceiling For FY 2008-2009**

None

**VII. Capital Improvement Projects Requests For Fiscal Year 2008-2009**

None

**VIII. Proposed Lapses of Capital Improvement Program Projects**

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 01 06

Program I.D. and Title: LNR 141 - Water and Land Development

1. Introduction

a. Summary of Program Objectives

To promote economic development and enhance public welfare by developing water supplies and State-owned lands.

b. Description of Program Objectives

- 1) Conduct master planning, engineering, economic and feasibility studies for the development and utilization of the State's current and future water resources.
- 2) Plan and program water and land development Capital Improvement Program projects, including budgeting, scheduling and management of project activities.
- 3) Plan, design and construct authorized and funded water and land projects, including the preparation of environmental assessments and/or statements and applications for permits.
- 4) Provide design, construction and other engineering services to divisions and offices within the department and to other State agencies.
- 5) Investigate and promote the development and use of alternative sources of water supply, including methods to augment and conserve the resource.
- 6) Provide administrative support for the Soil and Water Conservation District program.
- 7) Provide for management of geothermal and other mineral resources.

c. How the Program Intends to Meet Its Objectives in the Upcoming Fiscal Year

The program will continue its water and land development activities through the implementation and execution of authorized projects, coordination of water and land needs of various State agencies' projects to determine further development

requirements, and continue to provide engineering assistance to other State departments and departmental programs for the implementation and execution of their projects.

2. Program Performance Results

a. Performance Results Achieved in FY 2007

Performance measures reflect completion of authorized funded projects. A decline in funding of water projects reduced the effectiveness of this program, as it takes several years from project inception to the availability of water credits, that is, assuming funding continues from the exploratory through the development phases. The ceded land issue and/or lack of State land in areas where water is present or easily developable has delayed some projects.

b. How These Results Relate to the Program's Objectives of the Department's Mission

The protection and preservation of the State's environment and natural resources are accomplished through sound management practices.

c. How the Effectiveness of the Program is Measured and Performance Results Achieved During the Past Two Years

Performance measures used are the quantity of water (surface, ground or alternative source) or lands developed to support State projects or promote economic development, and the completion of authorized funded CIP, operating and/or repair and maintenance projects for other departmental programs. Continuous funding for water and land projects would result in the availability of water credits upon completion of the development phase of each project.

d. Actions Taken by the Program to Improve Performance Results

This program promotes partnerships and cost sharing in the development of water projects to meet the goals of otherwise competing entities. The program maintains contact with the various State departments in order to anticipate their water needs and coordinates with the various county water departments.

The program has reduced the backlog for the provision of engineering services for CIP, operating, maintenance and/or repair project through the development of a project management tracking system and clearly defined results to be provided by user divisions or agencies.

e. Modifications to Program's Performance Measures and Rationale for These Modifications

None

### 3. Problems and Issues

#### a. Discussion of Problems or Issues Encountered

Change in Water Credit Policy on Oahu – The Honolulu Board of Water Supply (BWS) has discontinued its policy in which the State is treated like a large developer and must develop water sources to meet the needs of its projects. The consequence of this policy change is that State projects requiring water service must budget for full Water System Facility Charges for Resource Development to be paid to BWS.

Water for State-Sponsored Projects on Other Islands - The program is continuing its water development activities and its search for new water sources in order to fulfill the water needs of State-sponsored projects. The program maintains contact with the various State departments in order to anticipate its water needs and assists in coordination with the various county water departments.

Coordinated Water System Development - The program promotes partnerships and cost sharing in the development of water projects to meet the goals of otherwise competing entities. One example of this is the Memorandum of Understanding (MOU) for water development and water system improvements to support State projects in North Kona between DLNR, Housing and Community Development Corporation of Hawaii, Department of Transportation (Airports and Highways Divisions), Department of Agriculture, Natural Energy Laboratory of Hawaii Authority, University of Hawaii, and the Hawaii County Department of Water Supply. The program is currently seeking funding for the next phase of projects.

#### b. Program Change Recommendation to Remedy Problems

The program will work with the various State agencies with projects on Oahu regarding the BWS' policy change to ensure that adequate funds are budgeted within their individual projects.

Water source and system development requires lead time of several years. Thus, when needs are determined, it is vital that water Capital Improvement Program projects be steadily funded and obtained as early as possible.

#### c. Program Issues or Problems that have Affected or Will Affect the Implementation of the Program, and Corrective Measures or Remedies Established or Planned

Change in Water Credit Policy on Oahu – The Honolulu Board of Water Supply (BWS) has discontinued its policy in which the State is treated like a large developer and must develop water sources to meet the needs of its projects. The consequence of this policy change is that State projects requiring water service must budget for Water System Facility Charges for Resource Development to be paid to BWS.

IV. Projected Expenditures for Fiscal Year 2008

	<u>Appropriation Act 213/07 FY 2007 - 2008</u>	<u>Collective Bargaining</u>	<u>Transfer In/(Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditure</u>
(Pos. Count)	(5.00)				(5.00)
Personal Services	486,159	12,158	0	0	498,317
Current Expenses	403,260	0	0	0	403,260
Equipment	6,000	0	0	0	6,000
Motor Vehicles	0	0	0	0	0
(Pos. Count)	(5.00)				(5.00)
Total	895,419	12,158	0	0	907,577
LESS:					
(Pos. Count)	(2.00)				(2.00)
Special Funds	402,560	5,350	0	0	407,910
(Pos. Count)	(0.00)				(0.00)
Federal Funds	0	0	0	0	0
(Pos. Count)	(0.00)				(0.00)
Revolving Funds 1/	119,104	0	0	0	119,104
(Pos. Count)	(3.00)				(3.00)
General Funds	373,755	6,808	0	0	380,563

1/ Vacation and Sick Leave Account for Departmental CIP Project-funded staff.

- a. Explain all Transfers Within the Program I.D. and their Impact on the Program.

None

- b. Explain all Transfers Within or Between Program I.D.s and their Impact on the Program

None

- c. Explain Restrictions and their Impact on the Program

None

5. Supplemental Budget Request for FY 2008 - 2009

	Appropriation Act 213/07 <u>FY 2008-2009</u>	Budget Adjustment <u>FY 2008-2009</u>	Supplemental Request <u>FY 2008-2009</u>
(Pos. Count)	(6.00)		(6.00)
Personal Services	524,633	0	524,633
Current Expenses	326,260	0	326,260
Equipment	2,000	0	2,000
Motor Vehicles	0	0	0
(Pos. Count)	(6.00)	(0.00)	(6.00)
Total Requirements	852,893		852,893
Less:			
(Pos. Count)	(3.00)	(0.00)	(3.00)
Special Funds	434,000	0	434,000
(Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	0	0	0
(Pos. Count)	(0.00)	(0.00)	(0.00)
Revolving Funds 1/	119,104	0	119,104
(Pos. Count)	(3.00)	(0.00)	(3.00)
General Funds	299,789	0	299,789

1/ Vacation and Sick Leave Account for all departmental CIP Project-funded employees.

a. Workload or Program Request

i. Description of Request, Reason for Request, Desired Outcomes or Objectives to be Accomplished

None

ii. Listing/Description of Positions Requested, Funding Requirements by Cost Category and Source of Funding

None

- iii. For Lump Sum Requests, Provide Detailed Breakout Indication Specific Purposes for All Planned Expenditures

None

- b. For Position Count Reductions, Specify as New, Filled or Vacant

None

6. Program Restrictions

Restrictions carried over from FY 2008, as well as additional reductions due to the Department of Budget and Finance's budget ceiling for FY 2009.

None at this time

7. Capital Improvement Requests for FY 2009

See Appendix A

8. Proposed Lapses of Capital Improvements Program Projects

Project Title - North Kona Water System Improvements, Hawaii

Act 213, SLH 2007, Item A-12

Amount for Lapse - \$2,905,000, MOF U

Justification for Lapsing – Unable to implement project using this Means of Financing

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure: 01 04 02

Program ID and Title: LNR 153 - Commercial Fisheries and Resource Enhancement

I. Introduction

A. Summary of Program Objectives

The program strives to 1) Support and assist in the wise use of and the long-term sustainability of Hawaii's commercial fishery resources through research, monitoring, outreach, collaboration, and management; 2) Coordinate effectively with other resource management agencies, particularly the federal government, in the management of commercial fishery resources for the people of Hawaii; and 3) enhance or improve existing resources through research and development related to stock enhancement and culture, thereby providing increased opportunities for fishing and seafood markets.

B. Description of Program Objectives

To manage marine fish stocks for long-term yields through research, development, and sound fisheries management practices; to ensure the continuation of Hawaii's seafood supply; to monitor resource abundance and availability, thereby ensuring the economic viability of the commercial fishing industry and associated markets; to monitor the activities and catches of commercial fishers so as to determine resource use trends and their impacts on long-term yields; to coordinate management efforts with other resource management agencies so as to ensure long term sustainability of stocks for the benefit of the commercial fishing industry; to supplement existing marine resource stocks through fish culture research and development that has the potential to enhance stocks and provide increased opportunities for the fishing industry, seafood markets, and the people of Hawaii.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year

The Department manages the State's aquatic resources through a variety of projects that include fishing regulations, fisher licensing, catch reporting, field monitoring, public education, and fisheries research. This enables the Department to effectively manage the State's aquatic resources to ensure their wise, long-term, sustainable use by the people of Hawaii and its visitors.



The Department is currently working to improve the licensing of commercial fishers and seafood markets to monitor their activity and impacts on resource populations. Creating and implementing an on-line licensing website will enable the fishing public and seafood industry to be in greater compliance with licensing requirements. This should reduce the number of unlicensed businesses and better able to monitor the State's seafood industry to evaluate its contribution to the State's economy.

Coupled with the licensing requirement for commercial fishers is a reporting requirement. This report provides timely fishery information to assess the status of the resources. The Department is working to improve reporting requirements so as to collect more complete fisheries information in a shorter time frame. Beginning in FY 2006, procedures to ensure commercial fisher reporting compliance have shown improvements in producing timely landing and sales information to better manage the resources. The Department is planning to add other features to the on-line licensing website to eventually enable fishers to submit catch reports on-line. This will help us to more precisely monitor fishing activity and its impacts on the State's aquatic resource populations.

Bottomfish are deep-sea fish that are an important source of seafood to many fishers and businesses. The Department established a revised statewide system of bottomfish restricted fishing areas in 2006 based on detailed analysis of essential fish habitat as determined by multi-beam sonar studies, coupled with research fishing. A monitoring program is now underway using robotic cameras deployed at depth to determine the effectiveness of these new restricted fishing areas. Such research and monitoring of bottomfish habitats and catches, coupled with revised rules for this fishery, will allow us to recover this stock, which is currently in a federally declared state of overfishing, thereby improving fish populations and providing better fishing opportunities in the future.

The Department works with several federal resource agencies, and non-governmental agencies to develop partnerships and management measures that are mutually beneficial, while sharing manpower and information to maximize limited personnel and budgets. This enables us to ensure the resource's wise, long-term, use by the people of Hawaii and its visitors.

1. The U. S. Fish and Wildlife Service, US Department of Interior which administers the Federal Aid in Sport Fish Restoration program and
2. The National Marine Fisheries Service, US Department of Commerce, which administers the Endangered Species Act, the Marine Mammal Protection Act, the National Marine Sanctuaries Act, the Magnuson-Stevens Fishery Management Act, and other programs.

The Department is taking steps towards applying for an Incidental Take Permit issued by the National Marine Fisheries Service to address negative interactions

between federally protected species and various fishing gears used in State waters, a problem that requires formal solution under the Endangered Species Act.

The program is also implementing the Fishery Disaster Relief Program that provides \$5 million to Hawaii fishers who participated in federally managed fisheries but suffered economic losses due to changing federal regulations. Much of this funding was used to enlist fishers in research projects that provided direct benefits to long term commercial fisheries management.

## II. Program Performance Results

### A. Discuss the performance results achieved by the Program in FY '07 and '08

A program consolidation was proposed, as a result of an administrative directive to consolidate programs where appropriate, to simplify budgetary program reviews. Subsequent effort involved document preparation to reflect the consolidation of two fisheries programs (recreational and commercial). This consolidation was submitted as part of the administration's budget during the 2007 Legislature. However the Legislature disagreed with the consolidation and granted an additional management position to assist in managing the program as a stand-alone program.

Changes have been made to improve the commercial fishing reporting rate compliance through refusing to renew licenses where fishermen are delinquent in their reporting. This has served to place a greater emphasis on the value of report data as it relates to managing commercially valuable fishes. More recently, efforts are being made to monitor compliance reporting and delinquencies are being followed up on through enforcement investigations. Progress continues on a \$5 million federal appropriation administered by this program to assist fishermen affected by federal regulations and awards have been completed to fishermen who were eligible for this one-time disaster relief assistance. Further, a secondary component of this appropriation was to solicit and fund fisheries research and cooperative industry projects

The Department continued the FAD program by replacing and maintaining the buoys at the 56 FAD sites statewide. The program continues to be funded by 75% federal funds.

Improvements continued to be made in revising the commercial catch report forms initiated in 2002 to collect more fishing effort information to better assess impacts on fish stocks. Prior to 2002, the catch report forms did not completely collect fishing effort information. This information is important to determine the impacts fishing is having on a fish population. This new effort information played a significant role in determining that a state of over-fishing was occurring in the bottom fish fishery. It will also play an important role in providing a basis for future management measures for this fishery. The Department also created a

registry of participants in the bottom fish fishery and is in the process of updating this registry with the help of the federal Western Pacific Fishery Management Council (WESPAC). WESPAC is responsible for managing the fisheries that occur in the federal waters in the Western Pacific region. These efforts are intended to address the over-fishing status of the bottom fish fishery and bring the fishery back to sustainable levels.

- B. Explain how these results relate to the Program's Objectives and Department's mission

These results relate directly to the stated objective of managing the state's marine life and to ensure its long-term economic viability. Improvements in licensing of commercial fishers and reporting of catches help produce more timely and accurate fisheries information, allowing better management of commercial fisheries. With the change in federal mandates under the revised Magnuson-Stevens Act, this improved information also allows more effective monitoring of annual catch limits for shared jurisdiction stocks, providing a mutual benefit. Supplementing natural fish populations with cultured stocks may also result in benefits to the state's seafood supply.

- C. Explain how the effectiveness of the Program is measured and discuss the performance results achieved during the past two years

The Program's effectiveness is measured in the degree of compliance with commercial catch reporting requirements; the enhanced level of catch and effort information resulting from the recently instituted State/federal bottom fish management scheme in the main Hawaiian Islands; the number of fishers receiving assistance from the FDRP; the progress made in understanding the biological needs of the cultured species in our goal to mass produce these species; and reduction or elimination of stocks or stock complexes in federally declared states of Overfishing or Overfished.

- D. Discuss actions taken by the Program to improve its performance results

We continue to work with a website developer to bring the on-line licensing of commercial fishers to the public during 2008. We have also initiated procedures to reduce the rate of non-reporting to render the commercial fisheries data more current. Most specifically, we have formed a bottomfish management team made of state, federal, and scientific professionals to who are working to improve the status of fisheries information on the related to the main Hawaiian Islands bottomfish fishery, which is currently in a federally declared state of Overfishing. We expect to be able to recommend changes to the current management regimen (via administrative rules and proposed changes to statute) for this fishery during 2008. Finally, we have engaged in extensive consultation with federal fisheries managers to determine how State rules and statutes can be made more compatible with the recently revised Magnuson-Stevens Act, which made sweeping changes

to fisheries management in federal waters beyond three miles. Particular effort has been directed toward working toward seamless co-management of joint jurisdiction stocks that occur in both State and federal waters.

- E. Identify all modifications to your program's performance measures and discuss the rationale for these modifications

We are working towards a web-based licensing application to provide easier access to commercial licensing in the hopes that more persons that want to be commercial fishers or dealers will be able to get the licenses 24 hours a day/7 days a week rather than only during state business hours. Implementing new procedures to ensure reporting compliance is intended to collect more complete and timely commercial fishing effort information on which to make better management decisions. The formation of the bottomfish team focused effort on this important fishery in a timely manner. The state is trying to meet specific deadlines consistent with federal requirements.

### III. Problems and Issues

- A. Discussion of Problems and Issues Encountered

As Hawaii's population increases, the demands on marine resources for both food and recreation will also continue to increase. It is therefore vital that we properly manage our marine resources to ensure long-term benefits for all residents of the State, as part of our public trust responsibilities. An increasing tourist population will also place more demands on Hawaii's marine resources, as the State is viewed as a desirable destination for charter sport fishing. Vibrant marine life populations will be thus be needed to support the many needs of Hawaii's people and its visitor industry.

Federal mandates, including oversight and administration of federal fisheries disaster relief funds (to assist fishermen affected by federal regulations); monitoring take of threatened and endangered species such as sea turtles and monk seals by fishing activities in State waters; establishment of a registry of marine recreational anglers in order to monitor fishing effort as mandated in the recently re-authorized Magnuson-Stevens Act; and co-management joint jurisdiction stocks, particularly pelagics (tunas, etc.), bottomfish, and precious corals, all continue to tax the program's budget and manpower.

Continuing interest in and progress toward Hawaiian sovereignty has also raised issues of Native Hawaiian gathering and access rights in relation to marine resources. Community interest is growing in terms of creating additional marine protected areas (low or no take zones), and community-based management areas featuring active local participation in resource management or co-management.

B. Program change recommendations to remedy problems

The transfer of a program manager position from one program (153) to another (401) was never completed, and is requested to conform with present budget and administrative structure. The conversion of an existing temporary aid position from FTE 0.49 to 0.50 is needed to conform to a Governor's directive to enhance position benefits and recruitment. An increase in the federal ceiling expenditure will allow support of the Fish Aggregating Device project.

C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned

On issues of increasing human populations in the State, increased demand for seafood, increased leisure demands that affect aquatic resources, increasing conflicting use over those resources, increased impacts to aquatic resources (from fishing, pollution, environmental degradation), and increasing competition for control over aquatic resources, without a change in priority, there is little change (that is significant) that can be done. Education is key, and a greater proportion of effort is being expended in this respect. Other than this, the Division will continue to allocate funds and manpower requested and focus on problems of greatest apparent urgency.

Marine ecosystems are complex and scientists still do not know exactly how living things interrelate. This fact, coupled with limited resources for research and monitoring of commercially important marine species, means that management of these species will inevitably be less refined than desirable. Despite this, the program strives to maintain a base level of services, attempting to be creative and to develop within current constraints expanded and enhanced services, and more effective management regimes. Nonetheless, even with significant federal assistance and external funding arrangements, there is no substitute for a commitment to core funding for support of priority and long-term needs. As long as it continues to receive only one percent or so of the State's total budget, the Department will remain perennially in a catch-up mode in terms of protecting the State's greatest natural, community and economic asset – its natural resources.

IV. Projected Expenditures for Fiscal Year 2007-2008

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restriction s	Estimated Total Expenditures
(Pos. Count)	(11.00)				(11.00)
Personal Services	849,608	4,333	0	0	853,941
Current Expenses	999,477	0	580,000	0	1,579,477
Equipment	0	0	0	0	0
Motor Vehicles	0	0	0	0	0
(Pos. Count)	(11.00)				(11.00)
Total Requirements	1,849,085	4,333	580,000	0	2,433,418
Less:					
(Pos. Count)	(0.00)				(0.00)
Special Funds	300,315	384	0	0	300,699
(Pos. Count)	(0.00)				(0.00)
Federal Funds	667,844	1,396	580,000	0	1,249,240
(Pos. Count)	(11.00)				(11.00)
General Funds	880,926	2,553	0	0	883,479

A. Explanation Of All Transfers Within the Program I.D. And Its Impact On The Program

More federal funds (\$580,000) became available than originally estimated. The majority of the additional funds (\$500,000) are being used for a Fisheries Disaster Relief Program to assist local commercial fishers impacted by federal closures and restrictions. The remaining funds (\$80,000) are necessary due to increases in fuel and deployment cost for maintaining/improving the popular Fish Aggregating Device System

B. Explanation Of All Transfers Between Program I.D. And The Impact To The Program

None

C. Restrictions And Their Impacts On The Program

None

V. Supplemental Budget Request FY 2008-2009

	Appropriation Act 213/2007	Budget Adjustment	Supplemental Requests
	<u>FY 2008-09</u>	<u>FY 2008-2009</u>	<u>FY 2008- 2009</u>
(Pos. Count)	(11.00)	1.00	(10.00)
Personal Services	877,809	(61,137)	816,672
Current Expenses	974,477	80,000	1,054,477
Equipment	0	0	0
Motor Vehicles	0	0	0
<hr/>			
(Pos. Count)	(11.00)	1.00	(10.00)
Total Requirements	1,852,286	18,863	1,871,149
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds	300,315		300,315
(Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	667,844	80,000	747,844
(Pos. Count)	(11.00)	1.00	(10.00)
General Funds	884,127	(61,137)	822,990

- A. Workload Or Program Request (Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding)

Convert Fishery Aid I position (#32691) from FTE .49 to FTE .50 because without any benefits recruiting for this position is very difficult.

Transfer out of Program Manager position (#9620) from LNR 153 to LNR 401 as approved by the Governor in December 2005.

Increase the expenditure ceiling by \$80,000 to utilize federal funds from the U.S. Fish and Wildlife Service Sport Fish Restoration Program to pay for higher fuel and deployment cost in maintaining and improving the popular Fish Aggregating Device System.

	<u>MOF</u>	<u>FTE (T)</u>	<u>Personal Services</u>	<u>Other Exp.</u>
Ceiling Increase	N			80,000
Program Manager (#9620)	A	(1.00)	(61,380)	
Fishery Aid I (#32691)	A	(0.49)	(11,613)	
Fishery Aid I (#32691)	A	0.50	11,856	
Totals			(61,137)	80,000

B. For All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant

None

VI. Identify Restrictions Carried Over From FY 2007-2008 As Well As Additional Reductions Due To The Department Of Budget and Finance's Budget Ceiling For FY 2008-2009

None

VII. Capital Improvement Projects Requests For Fiscal Year 2008-2009

None

VIII. Proposed Lapses of Capital Improvement Program Projects

None



**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

JANUARY 18, 2008

Program Structure Number 01 03 03

Program ID and Title: LNR 172 Forest Resource Management and Development

1. Introduction:

a. Summary of Program objectives:

Strengthen the State's economic opportunities through forest resource management to improve and assist in the sustainable production of forest products and services from Forest Reserves and other public and private lands. Promote resource restoration and conservation through outreach and education.

b. Description of Program objectives:

Primary Program objectives include: 1) Plan, research and implement reforestation and management of degraded and/or disturbed state lands for commercial forest resource production, native resource protection, watershed value enhancement, and other forest purposes. 2) Plan and administer commercial forest management activities on State land, which includes resource inventory and forest product sale administration. 3) Implement State and Federal technical forestry assistance and grant programs to provide support for forest management on public and private lands and to processors of forest products. 4) Support a sustainable forest industry that maintains and creates jobs while generating revenues for managing public resources. 5) Maintain and enhance forest reserve resources for cultural gathering and uses. 6) Provide continuous public education regarding the diversity and importance of forest products, ecosystem services and natural resource values. 7) Develop mechanisms by which the Division obtains revenue from ecotourism, camping, cabin fees, production of water, non-timber forest products and other ecosystem services. Enhance forest reserve infrastructure maintenance, hazard reduction and timber salvage opportunities through the commercial harvest permit system. 8) Operate the Central Tree Nursery in Kamuela and district nurseries for distribution of high quality tree seedlings for reforestation, special use plantings such as windbreaks and propagation of native plants for out planting. 9) Compile maps and statistics on the extent and condition of forests throughout the state. 10) Foster the development of professional forest management plans for public and private lands.

c. Explain how your Program intends to meet its objectives in the upcoming fiscal biennium:

Recent updates to Statutes and Administrative Rules and projected increases in conveyance tax and forest products revenues will be used to enhance Program capacity for implementing and meeting stated objectives. Partnerships with Federal, State and County agencies, non-governmental organizations, community groups and individual landowners remain a key component to Program success. Such partnerships are implemented through cooperative agreements, grant programs and Program-issued licenses and permits.

## 2. Program Performance Results:

### a. Discuss the performance results achieved by each program in FY 07.

In cooperation with the USDA Forest Service, the Department established a new Hawaii Experimental Tropical Forest, as provided by the Hawaii Tropical Forest Recovery Act and supported by the U.S. Secretary of Agriculture and Governor of Hawaii. This effort results in the first experimental forest in the United States comprised of tropical forest ecosystems, which will serve as a center for long-term research and a focal point for developing and transferring knowledge and expertise for the management of tropical forests.

Program efforts to expand the Forest Reserve System, which is of principal importance to water supply and quality among many other resource and cultural values, were continued. During this period, approximately 7,150 acres of expanded or new Forest Reserve lands were set aside by the Governor.

The Department conducted an RFP process for companies interested in milling saw timber resources in the Waiakea Timber Management Area (WTMA) on the island of Hawaii. The Department anticipates awarding and issuing a Timber Land License for this project that comprises approximately 1,100 acres of mature timber in an effort to support the startup of a mid-sized sawmill operation in Hawaii. Continuing efforts such as this item are in part intended to promote wood product and energy self-sufficiency for Hawaii.

The Department initiated a program to develop individual management plans for each public forest reserve in Hawaii. These plans will assist the Department in both resource management and budgetary planning efforts, and provide the public and our partners with the opportunity to provide input into the management of public forest resources.

In January 2007, the Upper Waiohuli fire in and adjacent to Kula Forest Reserve, Maui, burned approximately 2,300 acres of prime forested watershed. The Governor subsequently declared an emergency relating to the fire and its aftermath, which left significant portions of the upper watershed exposed to rainfall, soil erosion and other hazards. The Department responded by seeking and being awarded supplemental

funding to mitigate the effects of the fire, including but not limited to fence restoration, hazard tree removal, weed control and a large scale reforestation effort. Procurement processes relating to these efforts were made in FY 07, while principal field operations relating to the mitigation efforts will occur in FY 08.

In partnership with the Federal Forest Legacy Program (FLP) the Program was successful in securing funding and conservation easements or land titles for lands with important natural resource values. The Department was awarded \$2.0 million in FLP funds for a 4,000-acre conservation easement at Kealakekua Heritage Ranch - South Kona, Big Island.

Through State and Federal cooperation in the Forest Stewardship (FSP) and Urban and Community Forestry (UCF) grant programs, the Department continues to assist private landowners and community groups with various small and large-scale forest management and tree planting projects: 1) During this period two FSP contracts were approved and the program grew to 19,426 total acres of private forest land under responsible management for a multitude of public and private benefits; 2) The UCF program provided assistance to more than 35 groups from across the state with a wide variety of projects and activities. In FY 2007 more than \$146,674 was paid out to projects that in turn provided matching funds of \$468,473. Over 10,600 tree seedlings were raised for planting in project areas, and 1,604 volunteers donated 9,743 hours. The UCF program supported a wide variety of projects including technical assistance, demonstration tree plantings, a Hawaii Arbor Day tree-give-away, development of educational materials, and a school art contest. The UCF program also participated in hosting the 2007 International Society of Arboriculture conference in Hawaii. More than 1,500 arborists from across the world met in Honolulu from July 28 – August 1, 2007. The program also distributed a final report from the U.S. Forest Service's Center for Urban Forest Research on "City of Honolulu, Hawaii, Municipal Forest Resource Analysis" which details the inventory, benefits and ecosystem services that urban trees on Oahu provide to our society.

Additional performance accomplishments may be seen in the Division of Forestry and Wildlife annual report on its website and in the Forest Stewardship annual report to the Legislature.

- b. Explain how these results relate to the Program's objectives and department's mission.

These performance results serve to broaden the state's economic base by supporting, improving, and assisting in the production of high-quality forest products in sustained yield systems to create job opportunities in rural areas. In addition, these programs contribute to the improvement and sustained health of our forested watersheds and natural environment through: 1) Implementation of watershed and forest reserve protection and management efforts; 2) Support of invasive species prevention, control, research, and public outreach efforts; 3) Support of forest industry

development in Hawaii to improve resource self-sufficiency of the State and provide new sources of Program funding; 4) Provision of assistance and incentives to private landowners to improve forest habitat and water quality; 5) Securing titles or conservation easements for key land areas whose natural resources are under threat; and 6) By promoting cultural and educational aspects of natural resource management.

- c. Explain how the effectiveness of the Program is measured (i.e.: outcomes, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during past two years.

Program effectiveness is currently measured by: 1) acreage reforested; 2) acreage receiving timber stand improvement; 3) the number of seedlings produced and distributed; 4) the number of landowners receiving technical forestry assistance; 5) the volume of timber harvested; 6) cash receipts of state forest products; and 7) processors of forest products assisted.

- d. Discuss actions taken by each program to improve its performance results.

Performance improvements were attained through: 1) active management of current licenses and permits to ensure the greatest benefits for the public and Program; 2) continued successes in awards following Federal grant applications, resulting in acquisition of valuable titles or conservation easements for lands with natural resources under threat from various factors; 3) continued support of Hawaii's developing forest products industry and 4) development of new cooperative management agreements with federal and private conservation organizations to expand forest management and research activities on both public and private lands.

- e. Please identify all modifications to your program's performance measures and discuss the rationale for these modifications.

Program effectiveness during the current biennium will be measured by: 1) the number of seedlings produced and distributed; 2) the acres of tree planting or reforestation; 3) the number of board feet of timber harvested; 4) the number of landowners, organizations or communities assisted; 5) the number of funds leveraged; 6) the number of acres acquired or secured for Forest Reserve or other conservation purposes; and 7) Departmental lands under commercial timber management.

These measures replace or modify former indices that were obsolete, redundant, or could not be effectively quantified during the course of each fiscal year. No further modifications are anticipated for FY 08 or the short-term future.

### 3. Problems and Issues:

#### a. Discussion of problems and issues encountered, if any.

The Upper Waiohuli fire in and adjacent to Kula Forest Reserve, Maui, burned approximately 2,300 acres of prime forested watershed exposing significant portions of the upper watershed to rainfall, soil erosion and other hazards. The Department initiated mitigative actions to repair fences, remove hazard trees, control weeds and replant a large forest area. The replanted areas will need to be maintained and areas restocked through 2011. The Department will need to be prepared and able to respond to the aftermath of the fire and mitigation plans such as providing public safety, removing downed trees, keeping roads and trails open, expanded weed control, and multiple restocking of grasses, shrubs and trees as weather conditions and plant survival dictate.

Because little sustainable management of valuable commercial koa resources is occurring, and increased koa theft is being experienced statewide, there is a need for both research and demonstration of appropriate koa management and silvicultural techniques to encourage the private and public sectors to plant and manage more koa for the future. The Department plans to advertise an RFP and award a Timber Land License in FY 08 relating to koa reforestation work that includes allowable salvage of dead or down koa resources in an effort to provide such demonstration.

A statewide review and upgrade of heavy equipment used to support the Program is needed. Field offices are relying on equipment that is in many cases several decades old and prone to breakdown and expensive maintenance. A significant upgrade of equipment inventory is required to continue current operational plans, support implementation of new management initiatives such as commercial forestry development, and enhance protection activities and preparedness for natural disasters.

Declines in traditional sources of Federal grant funding requires the Program to rely more on State and forest product revenue sources. The Development of a forest industry in the state will provide a market and opportunity for the sustainable sale of forest products from forest plantations planted on state lands for commercial harvest.

A new, moderate to large-scale integrated forest industry supplied by locally grown hardwoods is emerging in Hawaii. The industry is envisioned to include lumber, veneer and export wood chips for the world paper industry. A concern with the state's reliance on fossil fuels and a concurrent push to improve energy self-sufficiency has increased interest in investment in wood biomass and the by-product of solid wood processing as alternative fuels for electrical generation facilities. A number of wood biomass projects are under development statewide and development of biofuels is a priority nationwide.

b. Program change recommendations to remedy problems.

The program will focus a large effort to reforest the Kula Forest Reserve to prevent erosion, watershed and habitat loss and invasion of weeds. The program will seek to reforest degraded public forest and pasture areas managed by the Department with koa and other native forest species. Establishment of commercial koa forests on Departmental lands will provide important demonstration of sustainable management techniques for this native species. Commercial koa forests will also provide significant revenue that will both perpetuate the management practice and support widely enhanced forest reserve management.

The Department will upgrade essential heavy equipment inventory in order to support the basic ability of the Division to continue delivering both standard operational and emergency response capacity in areas such as fire protection, disaster management, watershed protection and management, reforestation and public recreation in a safe and professional manner statewide.

Declining Federal grant programs and funding sources impact the Program both operationally and from a staffing perspective. If this declining trend continues, important Program staff positions that are currently federally funded will be at risk. Evaluation of whether current State General Fund budgets for Program staffing meet existing payroll obligations, and avoidance of over-reliance on Special Funds to cover future payroll shortfalls is merited. In FY 07 the Department converted 1.0 FTE from Federal to Special Funding to reduce its reliance on declining Federal funding.

In Hawaii, public awareness of forestry is limited and needs to be more visible and well known among the mostly urban population. For private forest investors to invest in Hawaii, lands need to be available at a sufficient scale, development costs need to be reasonable, and environmental regulations need to provide for an ability to harvest the trees which are planted for commercial purposes. As current forest plantation acreage appears to be a primary limiting factor, the Program will seek to improve availability and utilization of both public and private lands for new forest plantations to supply an emerging forest products industry while simultaneously conducting public educational efforts and complying with environmental regulations.

c. Identify any Program issues or problems that have affected or will affect the implementation of the Program, and the corrective measures or remedies established or planned.

Limited state support for Program personnel, infrastructure, and operating expenses for forest reserve management including watershed management, restoration of rare and endangered species, control of invasive species and development of commercial forestry, is the single greatest obstacle to the continued success and expansion of these programs to meet increasing demands for resource conservation and fully utilize

available Federal and private funding opportunities for these programs. The short-term solution to this problem is that the Department is developing new sources of funding for these programs from revenue from the sale of forest products and increasing support from a share of the conveyance tax dedicated to this Program. The long-term solution is to develop new funding sources for cooperative conservation programs and establish a broad coalition of support and dedicated funding sources for conservation programs.

4. Expenditures for FY 08:

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restrictions	Estimated Total Expenditures
(Pos. Count)	(22.00)				(22.00)
Personal Services	1,311,550	41,590	0	0	1,353,140
Current Expenses	5,641,299	0	33,245	0	5,674,544
Equipment	0	0	0	0	0
Motor Vehicles	36,000	0	0	0	36,000
<hr/>					
(Pos. Count)	(22.00)				(22.00)
Total Requirements	6,988,849	41,590	33,245	0	7,063,684
Less:					
(Pos. Count)	(1.50)				(1.50)
Special Funds	5,784,970	14,009	0	0	5,798,979
(Pos. Count)	(1.50)				(2.50)
Federal Funds	390,276	1,979	33,245	0	425,500
(Pos. Count)	(19.00)				(19.00)
General Funds	813,603	25,602	0	0	839,205

- a. Explain all transfers within Program I.D. and its impact on the Program.

The federal funds ceiling was increased by \$33,245 to incorporate increased federal funding for Cooperative Forestry Assistance grants for the Forest Legacy, Forest Stewardship, and Urban and Community Forestry programs.

- b. Explain all transfers between Program I.D.'s and the impact on the Program.

None

c. Explain all restrictions and the impacts on the Program.

None.

5. Supplemental Budget Requests FY09:

	Appropriation Act 213/2007 FY 2008-09	Budget <u>Adjustment</u> FY 2008-2009	Supplemental <u>Request</u> FY 2008-2009
(Pos. Count)	(22.00)	(0.00)	(22.00)
Personal Services	1,403,182	0	1,403,182
Current Expenses	3,834,794	0	3,834,794
Equipment	0	0	0
Motor Vehicles	36,000	0	36,000
<hr/>			
(Pos. Count)	(22.00)	(0.00)	(22.00)
Total Requirements	5,273,976	0	5,273,976
Less:			
(Pos. Count)	(1.50)	(0.00)	(1.50)
Special Funds	4,069,970	0	4,069,970
(Pos. Count)	(1.50)	(0.00)	(1.50)
Federal Funds	390,276	0	390,276
(Pos. Count)	(19.00)	(0.00)	(19.00)
General Funds	813,730	0	813,730

a. Workload or Program request:

None

b. For all position count reductions, please specify whether the positions were filled or vacant.

No reductions.



6. Program Restrictions:

None.

7. Capital Improvement Program (CIP) Requests for FY09:

None

8. Proposed Lapses of CIP Projects:

None.

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure: 04 02 01

Program ID and Title: LNR 401 – Aquatic Resources

I. Introduction

A. Summary of Program Objectives

The Program objectives are to preserve and enhance native and indigenous fish and other aquatic species and their habitats for Hawaii's people and its visitors through protection, active management, habitat restoration, public information, education, and other effective management measures.

B. Description of Program Objectives

Objectives of the Program are to protect Hawaii's aquatic resources, and the qualities of aquatic habitats those resources require. This program also includes the central administration for all three of the department's statewide fisheries programs (LNR 153, 805 and 401), administered by the Department's Division of Aquatic Resources, and the staff of the division's neighbor-island offices.

1. Performing administrative functions for the department's three statewide aquatic resources programs (Division of Aquatic Resources), including planning, budgeting, coordination and implementation.
2. Conducting public meetings and hearings, to promulgate rules on regulated areas, and to propose amendments to statutes.
3. Carrying out surveys, inventories, and research of reef, stream, and estuarine fish stocks and their associated species and habitats.
4. Establishing, monitoring and maintaining Marine Life Conservation Districts (MLCDs), Fishery Management Areas (FMAs), Fish Replenishment Areas (FRAs), and other management methods.
5. Evaluating environmental assessments and impact statements, Conservation District Use Applications, Stream Channel Alteration and related applications, requests for approval to import live aquatic organisms, and development, regulatory or research proposals in other forms; issuing Special Activity Permits for aquatic organisms and permits for protected waters.

6. With other agencies investigate fish kills, oil-spill, water-pollution incidents; responding to sea turtle and marine mammal strandings and haul-outs.
7. Supporting and collaborating with the State's Commission on Water Resources Management by conducting field research and maintain a stream/watershed database to provide the Commission with information on abundance, distribution and habitat requirements of native freshwater species and conditions of stream and estuarine habitats, in support of development of Instream Flow Standards as mandated by the Hawaii Supreme Court.
8. Conducting investigations to gather information on and assessing effects of fishing and anthropogenic environmental change and coastal fish stocks and estuarine nursery habitats to develop management strategies to sustain these for the future.
9. Coordinating these activities with other agencies, institutions and councils including the Department of Health, Department of Agriculture, University of Hawaii's Hawaii Institute of Marine Biology and Sea Grant programs, The Hawaii Cooperative Fisheries Unit, the Hawaii Coral Reef Initiative, the Oceanic Institute, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, the Western Pacific Fishery Management Council, the Hawaiian Islands Humpback Whale National Marine Sanctuary, the Paphanaumokuaueka Marine National Monument Management Board, and the U.S. Coral Reef Task Force.
10. Maintaining and improving the statewide program of aquatic resources education, approved for and attracting federal revenues, which develops and distributes informational and educational materials (posters, brochures, workbooks, handouts, video presentations, etc.) to users of aquatic resources and the general public and assists the Department of Education, charter and private schools by training teachers and volunteer instructors to use these curriculum materials.

C. Explain how the Program intends to meet its objectives in the upcoming supplemental year

Meeting program objectives to achieve our goal of managing and preserving Hawaii's aquatic resources for the current generation and to assure their availability for future generations is a serious challenge. The program will accomplish most of its major objectives by the following efforts: A conceptual framework on marine managed areas progresses with the conducting of statewide focus group meetings to obtain public input into a protective category development for marine areas. The battle continues in the fight against marine

alien invasive species with the implementation of the Alien Invasive Species Management Plan. One notable development has been the establishment of the Alien Invasive Species Response Team to stem the proliferation of marine invasives. The incorporation of State waters into the Papahānaumokuākea Marine National Monument in the Northwestern Hawaiian Islands is a major step towards the protection of an intact Hawaiian marine ecosystem. With current activities including a highly ranked application for designation of the Monument as a World Heritage site, and establishment of a formal co-management regime with the Department of Commerce and the Department of the Interior, the program has made significant steps in the interests of preserving our natural and cultural marine resources for present and future generations. Participation in U.S. Coral Reef Task Force activities and support of community-based actions (such as the Instream Flow Council, Watershed Partnerships, Reef Watch, and the Local Resource Councils in West Hawaii), both from the top and at the community level, will comprehensively support the mandate to protect our natural resources. The program also supports the efforts of the Commission on Water Resources Management (CWRM) to set Instream Flow Standards by providing biological data on the distribution, abundance and habitat requirements of native stream species, and by collaborating with CWRM staff to coordinate expenditures and geographical scope of activities in support of common objectives.

## II. Program Performance Results

### A. Discuss the performance results achieved by the Program in FY '07 and '08

Substantial federal funding, most of which requires no State matching funds, has been obtained to focus on coral reef related fisheries and habitat problems, marine protected areas, and alien species management. Rule amendments for the West Hawaii Fishery Replenishment Area rules have been adopted, creating enforceable provisions for commercial aquarium fish harvesting, greater restrictions on the use of lay nets, and a ban on the use of lay nets statewide. Public information programs have emphasized protection of coral reef habitats, prevention of the introduction of alien species, and safe behavior on rocky ocean shorelines.

Staff were active participants on the Hawaii Coral Reef initiative management committee, the Sea Grant management committee, the Papahānaumokuākea Monument Management Board, the U.S. Coral Reef task force, and serves as the federal point of contact for related activities. As part of a legislative mandate, the Division convened a State Task Force to examine threats of alien marine species introductions through ballast water exchanges and transport of hull fouling organisms by ocean-going vessels, and subsequently developed and passed administrative rules for ballast water management.

Hawaii's coral reefs are now receiving greater attention as a result of the formation of the Hawaii Coral Reef Initiative Research Program, which is

managed by a partnership between the University of Hawaii and the Division of Aquatic Resources. Through sponsored projects the program complements the efforts of the U.S. Coral Reef Task Force and the Marine Conservation Act to develop strategies to protect healthy reefs and, where possible, to implement strategies to reverse degradation. Considerable additional federal funds have been obtained by the Division to support research directed towards those ends, with particular emphasis on ecosystem level projects at Maunalua Bay, Oahu and Kahekili, Maui.

The Department has taken an active role in working with the newly created Papahānaumokuākea Marine National Monument to develop management and science plans for these 1,200 miles of ocean, reefs and islands. Through a Memorandum of Agreement, DAR is working actively with the Department of Commerce and Department of Interior to develop a mutually beneficial management regime for these Leeward Islands, and has taken the lead on a proposal to make the area a World Heritage site via United Nations designation.

The Hawaiian Island Humpback Whale National Marine Sanctuary is co-managed by the State along with its Federal counterpart. Recent efforts to manage resources within the sanctuary include the rescue of a humpback whale, relocating a drifting dying whale offshore that had attracted numerous very large Tiger Sharks, dolphins, and the endangered Hawaiian monk seal. Efforts also included the protection of newborn monk seals during the six-week weaning process. General outreach efforts were made to help the public understand and participate in protection of these marine resources.

A series of regular meetings has been initiated between staff in the Division of Aquatic Resources and the Commission for Water Resource Management, in which priority areas within the State of Hawaii have been identified for acquisition of biological and hydrological data essential for the development of minimum instream flow standards. Additional biological and geographical data layers were also integrated into the Division of Aquatic Resources' watershed geo-database, most notably watershed shape files for the entire main Hawaiian Islands, and data on the introduction of alien sport fishes into ditch and reservoir systems. The draft Atlas of Hawaiian Watersheds and their Biological Resources is presently being edited for final publication and will be made available to the general public on our Web Site, and will be the basis for setting Instream Flow Standards.

The program has maintained an active and aggressive approach to control and interdiction of invasive marine algae. Notable projects included deployment of a "Supersucker Junior" mechanical control platform at Waikiki, and the pilot testing of similar technology on Maui in cooperation with Maui County. The program is also in the process of establishing an innovative herbivore management area at Kahekili, on west Maui, to enhance populations of fishes and

invertebrates that graze on invasive marine algae, thereby utilizing local ecosystem services to combat alien species.

Finally, the program has refined and expanded its approach to incident responses, particularly vessel groundings and sedimentation events, by developing updated Standard Operating Procedures integrated with those of DOCARE and the Department of Health. This includes new reporting forms, and standardized protocols for damage assessment and evidence collection. As a result of these efforts, the Department successfully pursued an administrative penalty before the Board of Land and Natural Resources for coral damage due to illegal anchoring at Ahihi-Kinau Natural Area Reserve, and currently has a second case pending before the Board related to a vessel grounding in the Molokini Marine Life Conservation District.

B. Explain how these results relate to the Program's Objectives and Department's mission

The protection of Hawaii's aquatic resources manifests itself in the above-described efforts. The establishment of the NWHI Monument, planning efforts for additional Marine Life Conservation Districts, identifying nursery habitats for coastal species, setting minimum instream flow standards, addressing invasive species issues, monitoring the effects of regulations such as those on lay gillnets, and enhanced incident response all serve to protect fishes, corals, and other animals, and to reduced degradation of their habitats. Biological value is therefore enhanced and an additional side benefit is the positive effect it has on the State's tourism industry.

The establishment of additional regulations in areas such as the West Hawaii Regional Fisheries Management Area serves to sustain resources which have economic value (fisheries and tourism) as well as protecting ecosystems from decline. Regular monitoring surveys have noted a significant increase in fish biomass and biodiversity in West Hawaii, an indicator of healthy fish stocks.

Ballast water and hull fouling are two major vectors for introducing aquatic alien species. Establishment of such alien species has the potential to alter the State's native ecosystems and can degrade habitats associated biological productivity. Efforts to focused on protected species (whales and dolphins) and endangered species (turtles and monk seals) are necessary to preserve these native animals that are important to both ecological diversity, and to the State's economy as icons of its rich marine systems that attract tourists from around the world.

- C. Explain how the effectiveness of the Program is measured and discuss the performance results achieved during the past two years

Effectiveness can be measured by: the adoption, amendment, or repeal of Hawaii Administrative Rules that establish managed areas; consummation of contracts designed to provide research results to management-related informational needs or to provide support services to management-related projects; the publication, distribution, and use of information brochures, posters, and via media, the public service announcements, news and press releases, radio and TV news coverage and subject interviews; progress and development of a GIS-based database for streams and for estuarine habitats; the removal of alien species; the culture and controlled release of important gamefish; development of a new marine managed area classification system; the number and types of environmental reviews, permit applications, and technical guidance provided the Department and outside agencies. Results are detailed in the previous section, IIA.

- D. Discuss actions taken by the Program to improve its performance results

Partnerships, both public and private, were expanded, and full advantage was taken of the opportunities to access federal funds through volunteer time, in-kind matches, and direct private contributions. Substantial non-matching federal funds have been successfully obtained to help develop a ballast water/hull encrusting organism program to help limit the potential for new alien species introductions through this vector and to deal with problems and issues related to coral reef habitats. An alien species management plan that will make the State eligible for additional federal funding is completed, as is a state wildlife conservation plan. More ways are being sought to partner with the university and the community.

- E. Identification of Rationale for Modifications to Performance

None

### III. Problems and Issues

- A. Discussion of Problems and Issues Encountered

As Hawaii's population and visitor industry grow, the demand for and stresses upon our aquatic resources are magnified, and competition for access to these resources by the various user groups increases. Ever-increasing use by non-consumptive users, including commercial dive and snorkeling tours and simply more and more people recreating in the ocean are impacting our stream, estuarine and marine habitats. Healthy watersheds and reef communities are vital to the State's visitor industry and are important elements of the local lifestyle for Hawaii residents, but shoreline activities as well as perturbations in individual watersheds, such as polluted runoff and sedimentation, directly impact the health of the estuarine nursery habitat for most of our coastal marine and coral reef species.

While the impacts of consumptive activities are obvious (e.g., fishing removes fish), impacts of non-consumptive use can be serious also. Anchoring can damage coral, reef organisms in areas heavily used by snorkelers and bathers can be trampled, and recreational watercraft can alter the behavior, habits, and migration patterns and juvenile recruitment of fish to their nursery habitats. Locally, coral reefs are being further degraded by invasive alien species, sedimentation and chronic exposure to nutrients; and they may also be threatened by global warming and new diseases. The State's challenge lies in managing aquatic resources in a manner that assures their perpetuation for use by future generations while allocating sustainable fair shares to the various user groups. This is being pursued without the increases in State funding that would easily be warranted given the circumstances of nearshore fish stock decline, continuing spread of invasive species, and damage to coral reef communities by sediment runoff, and pollution.

The unintentional introduction of alien species represents a serious continuing threat to Hawaii's native environments and its associated resources. *Salvinia molesta*, a floating fern originally imported as a decorative pond plant, has escaped into several freshwater bodies on Oahu. A massive interagency effort was required to remove the weed before it wrecked the Lake Wilson's environment and killed hundreds of tons of fish, but the species lingers in other areas, notably Kawainui Marsh. Problems also exist with introduced marine invasive algae in Kaneohe Bay, Waikiki, Maui, and parts of Molokai and the Big Island.

Many marine organisms have also been introduced to Hawaii through ballast water exchanges by ocean-going vessels and as hull-fouling hitchhikers. Surveys by the Bishop Museum have shown that dozens of alien marine organisms now established in our waters apparently arrived through those sources. Marine ecologists have warned that a dangerous homogenization of the biota in nearshore waters is occurring with unpredictable ecosystem destabilization in Hawaii if the introductions continue unabated. A State task force has been convened, with support from a federal grant, to examine the problem and have developed an alleviation plan, but operation funds have not been allocated

Two issues, indigenous peoples and community-based management, are increasingly receiving attention. Demands for select and special access to resources by native people or management of adjacent nearshore resources by a community puts a strain on the Constitutional directive that the Department manage natural resources for the benefit of all Hawaii's people, but the Constitution also recognizes that native Hawaiians do have traditional rights. Furthermore, virtually all marine waters are over ceded lands. Properly handled, these complexities could be turned towards improved management of our marine resources as personal stakes in the outcome are increased. If ignored or poorly handled, chaos will result and our surviving living marine resources will collapse as regulatory gridlock prevails.



These problems identified, it should be emphasized that we have a dedicated staff that will do more than what should be possible within those funding constraints that are imposed. An intensive education campaign is also ongoing to convince people and decision-makers that an investment in appropriate restrictions now will have real benefits in the near-term future.

B. Program change recommendations to remedy problems

As approved by the Governor in December 2005 the program is requesting the transfer in of a program manager position to LNR 401 from LNR 153 thereby conforming to present administrative structure.

The program is requesting an increase the expenditure ceiling (\$972,500) for federal funds received from the National and Atmospheric Administration's National Ocean Service, National Marine Fisheries Service and the U.S. Fish and Wildlife Service to continue the Hawaii Marine Recreational Survey project (\$172,500), the co-management of Hawaiian Humpback Whale Sanctuary (\$50,000), instream flow project (\$150,000), monitoring of bottomfish populations (\$100,000), stream/estuarine fisheries studies (\$150,000), and projects involving coral reef management, monitoring and the Northwestern Hawaiian Island Marine National Monument (\$350,000).

C. Identify any program issues or problems that affected or will affect the implementation of the program, and the corrective measures or remedies established.

The State continues to enjoy an upward, long-term increase in its economy, along with the resultant increases in population growth and urbanization, including coastal and inland development. Concomitant with this increase is the ever-growing demand for services from our aquatic resources. Whether the services provided mean fish and seafood products for consumption or non-consumptive enjoyment (tourism, snorkeling), these services are continually shrinking, all the while the competition and demand for them are increasing. Most alarming is the decline of herbivorous fishes, which are essential to sustain a healthy, coral-dominated reef habitat. Land-based nutrient input and increased extraction of these large algae-eating fishes, have turned many once healthy reef into a highly degraded, alien algae dominated reef. These "dead" reefs are virtual underwater deserts.

Aquatic ecosystems are complex and scientists still do not know exactly how all living things interrelate. This fact, coupled with limited resources for research and outreach, means that management of these species will inevitably be less refined than is desirable for the foreseeable future. Despite this, the program strives to maintain a base level of services, attempting to be creative and to develop within current constraints expanded and enhanced services, and more effective management regimes. Nonetheless, even with significant federal assistance and

external funding arrangements, there is no substitute for a commitment to core funding for support of priority and long-term needs. As long as it continues to receive only one percent or so of the State's total budget, the Department will remain perennially in a catch-up mode in terms of protecting the State's greatest natural, community and economic asset – its natural resources.

IV. Projected Expenditures for Fiscal Year 2007-2008

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restriction s	Estimated Total Expenditures	
(Pos. Count)	(28.00)				(28.00)	
Personal Services	2,187,087	61,390	0	0	2,248,477	
Current Expenses	2,805,016	0	1,539,121	0	4,344,137	
Equipment	0	0	0	0	0	
Motor Vehicles	0	0	0	0	0	
(Pos. Count) Total Requirements	(28.00) 4,992,103		61,390	1,539,121	0	(28.00) 6,592,614
Less: (Pos. Count) Special Funds	(0.00) 0	0	0	0	0	(0.00) 0
(Pos. Count) Federal Funds	(1.00) 2,436,559	11,280	1,389,121	0	3,836,960	
(Pos. Count) General Funds	(27.00) 2,555,544	50,110	150,000	0	2,755,654	

A. Explanation Of All Transfers Within the Program I.D. And Its Impact On The Program

Additional federal funds (\$1,389,121) are being used for projects and studies in coral reef management/monitoring and the co-management of the Northwestern Hawaiian Islands Natural Marine Monument (\$364,521), alien coral/deep coral ecosystem/black and stony coral studies (\$186,000), additional funding for the co-

management of the Hawaiian Islands Humpback Whale National Marine Sanctuary (\$78,000), operating cost for the Incidental Take Permit staff (\$11,000), research/management for alien invasive species projects (\$56,600), instream flow project (\$150,000), monitoring bottomfish populations (\$198,000), Hawaii marine recreational fishing survey (\$172,500), life histories/life cycle of key species (\$135,000), and stream/estuarine fisheries studies (\$37,500).

B. Explanation Of All Transfers Between Program I.D. And The Impact To The Program

Additional general funds (\$150,000) were transferred in from the Department's Commission On Water Resource Management (G-08-044-C) to be used as a match for an additional \$150,000 in federal funds to acquire instream flow information (see instream flow project above).

C. Restrictions And Their Impacts On The Program

None

V. Supplemental Budget Request FY 2008-2009

	Appropriation Act 213/2007	Budget Adjustment	Supplemental Requests
	<u>FY 2008-09</u>	<u>FY 2008-2009</u>	<u>FY 2008- 2009</u>
(Pos. Count)	(28.00)	(1.00)	(29.00)
Personal Services	2,409,323	61,380	2,470,703
Current Expenses	2,649,616	972,500	3,622,116
Equipment	0	0	0
Motor Vehicles	0	0	0
<hr/>			
(Pos. Count)	(28.00)	(1.00)	(29.00)
Total Requirements	5,058,939	1,033,880	6,092,819
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds			
(Pos. Count)	(1.00)	(0.00)	(1.00)
Federal Funds	2,475,409	972,500	3,447,909
(Pos. Count)	(27.00)	(1.00)	(28.00)
General Funds	2,583,530	61,380	2,644,910

- A. Workload or Program Request (Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding)

Transfer in of \$61,380 to personnel services for a Program Manager position (#9620) from LNR 153 as approved by the Governor in December 2005.

Increase the expenditure ceiling (\$972,500) for federal funds received from the National and Atmospheric Administration's National Ocean Service, National Marine Fisheries Service and the U.S. Fish and Wildlife Service to continue the Hawaii Marine Recreational Survey project (\$172,500), the co-management of Hawaiian Humpback Whale Sanctuary (\$50,000), instream flow project (\$150,000),

monitoring of bottomfish populations (\$100,000), stream/estuarine fisheries studies (\$150,000), and projects involving coral reef management, monitoring and the Northwestern Hawaiian Island Marine National Monument (\$350,000).

	<u>MOF</u>	<u>FTE (T)</u>	<u>Personal Services</u>	<u>Other Exp.</u>
Ceiling Increase	N			972,500
Program Manager	A	1.00	61,380	
	Totals		61,380	972,500

B. For All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant

None

VI. Identify Restrictions Carried Over From FY 2007-2008 As Well As Additional Reductions Due To The Department Of Budget and Finance's Budget Ceiling For FY 2008-2009

None

VII. Capital Improvement Projects Requests For Fiscal Year 2008-2009

None

VIII. Proposed Lapses of Capital Improvement Program Projects

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 04 02 02

Program I.D. and Title: LNR 402 Native Resources and Fire Protection Program

1. Introduction

a. Summary of program objectives

- i. The LNR 402 program area of the Division of Forestry and Wildlife conducts programs, projects, and activities for native resources and fire protection. The Program presently implements more than 150 projects statewide that conduct actions needed to enhance Hawaii's unique natural and cultural resources for the benefit and enrichment of current and future generations. The Program provides leadership to responsibly manage and protect watersheds, native ecosystems, threatened and endangered species, and cultural resources through cooperative conservation programs based on community involvement, education, and broad partnerships.

b. Description of program objectives

- i. Manage habitats to protect, maintain, and enhance the biological integrity of native ecosystems.
- ii. Reduce the impacts of wildfires on native ecosystems and watersheds.
- iii. Prevent or reduce the impacts of invasive species on native resources.
- iv. Protect, maintain, and enhance native species populations, and recover threatened and endangered species.
- v. Promote outreach and foster cooperative conservation partnerships to improve public understanding, responsibility, and participation.
- vi. Conduct monitoring and evaluation to guide the development of recovery and management plans and to ensure cost effective adaptive management of implementation actions and tasks.

c. Explanation of how the program intends to meet its objectives within the upcoming supplemental year.

The threats to Hawaii's unique native species and habitats have never been greater. Conflicting land use interests as well the introduction of new invasive species and diseases and the continued spread of established invasive species continue to place unprecedented pressure on native ecosystems. Fortunately, the capacity of the Department to meet these challenges is rapidly increasing with new program developments. In recent years, the Department has significantly expanded cooperative conservation programs across the state to establish a broad collaborative network for the protection and management of native resources.

The program aggressively and successfully competes for federal and private grant funds to build capacity to enhance long term projects and develop new projects to expand the scope of natural resource and fire protection statewide. Overall planning and guidance for the program are provided by the Hawaii State Wildlife Action Plan. Habitat and species-level programs are overseen and conducted by specialized recovery teams, working groups, and implementation teams. The program draws extensively from cooperative efforts among multiple agencies, non-governmental organizations, landowners, and private citizens. The collaborative efforts provide the community with opportunities to participate in conservation, enhance the level of expertise through participation by highly skilled subject area experts, broaden the scope of targeted projects, and leverage limited funding by pooling resources, securing grant funds, and utilizing in-kind contributions.

## 2. Program Performance Results

### a. Discussion of the program performance results achieved in fiscal year FY07

#### i. Habitat Management

The Program supports more than 45 continuing projects focused on habitat management for the protection and restoration of native ecosystems. In FY07 the Division successfully secured more than \$5M in competitive grants that will be used for the acquisition of sensitive coastal and wetland habitats at Kilauea, Kauai and Nuu Makai, Maui. These purchases are in progress through collaboration with the public land trusts on those islands. Wetland habitat management and restoration projects are ongoing on Kauai, Oahu, Maui, and Hawaii to protect and restore wetland ecosystems and enhance habitat for native waterbirds. Notable achievements include ongoing work to restore native wetlands at Mana, Kawaele, Kawainui, Hamakua, and Pouhala. Restoration work in these areas involves large-scale removal of invasive vegetation that destroys wetland integrity and is conducted by staff, private contractors, and an extensive network of community volunteers that dedicate their time to the protection and restoration of these unique habitats and their wildlife.

Protection and restoration of upland forest habitats is ongoing on Kauai, Oahu, Maui, Lanai, and Hawaii, and includes extensive areas protected by fences and removal of destructive herbivores. Notable successes include the removal of more than 300 feral pigs from the Puu Waaawaa Forest Bird Sanctuary (3,800 acres) and more than 100 mouflon sheep from the Puu Mali Palila mitigation habitat (5,000 acres). These areas are now protected by fences and eradication of feral ungulates is nearly complete. In addition, more than 20,000 mamane saplings have been planted at Puu Mali by staff and community volunteers dedicated to the restoration of this special dryland forest. Fence construction at Kahikinui, Maui continues for the protection of more than 9,000 acres within the Leeward Haleakala Watershed Restoration Partnership. Work will continue in these areas to remove alien species and restore the native forest through outplanting of native trees and shrubs. Many projects for habitat restoration

are also underway on private lands through the Landowner Incentive Program, which establishes cooperative habitat management programs with private landowners across the state. These projects bring government and landowners together to protect native habitat on a landscape scale.

Other projects include vegetation management of offshore island seabird habitats and predator control in coastal habitats such as Kaena Point Natural Area Reserve. An extensive revision of the wildlife sanctuaries rules (HAR 13-125) is in progress to ensure adequate protection for these areas.

ii. Wildfire Control

During 2007, the DOFAW Fire Management Program contracted a Firewise Coordinator to oversee the Firewise program, a program that assists communities at risk from wildfires. The Firewise program involves conducting workshops highlighting processes that communities can undertake to protect their homes from wildfire. Community leaders, county fire department personnel, and DOFAW work together in developing a community wildfire protection plan. Kohala By The Sea (a community in South Kohala) was again recognized as a Firewise Community, USA. We continue to work with rural communities at risk from wildfire through federal grants from the National Fire Plan.

The Department expects to continue to train federal, state, and county firefighters throughout the year. This aspect of the Fire Management Program is the nucleus that incorporates interagency training opportunities for all statewide fire management agencies. Last year, the Department trained 275 personnel statewide. Firefighter safety is the number one objective on any wildfire situation. Training in fire behavior, strategy and tactics, emergency management, chainsaw safety, and wildland firefighting in the wildland urban interface provides the skills needed for safety on the fireline. The Department continues to be in the forefront in wildland fire and other emergency management training for other state agencies.

Since July 1, 2007 the Division was involved in 14 wildfires – 3 on Kauai, 5 on Oahu, 2 on Maui, and 4 on Hawaii. These fires consumed 18,717 acres. The Waialua wildfire, the largest wildfire in Oahu's recent history at 6,700 acres, threatened the Waialua community and businesses, prompting mandatory evacuations and temporary closures of major thoroughfares. Ranches and farmers lost infrastructure and crops. It is anticipated that the Department will be reimbursed for 75% of all costs incurred on the Waialua wildfire through the Federal Emergency Management Agency (FEMA).

The Department's Firefighter Contingency Fund of \$300,000 was inadequate to financially support the suppression efforts of the DOFAW Fire Management program during this period. In August, the Department requested and received an additional \$300,000 only to be faced with a deficit due to additional wildfires. In September,



the Department requested and received an additional \$200,000. This will help sustain the program temporarily.

### iii. Invasive Species

The creation of the Hawaii Invasive Species Council and the dedication of \$4,000,000 to the prevention, response and control, research and technology, and outreach projects have resulted in significant progress in protecting Hawaii from invasive species. With the funding restored to previous levels, the Research and Technology grant program was reinitiated and resulted in over \$2,000,000 being requested for projects to improve invasive species control statewide. A previously funded project that helped develop pheromone lures for stinging nettle caterpillar proved key to responding to two new outbreaks of this pest on Maui and Oahu. During 2007, the island-based Invasive Species Committees (ISCs) conducted comprehensive surveys for new invasive plants on all main islands and, with the HISC supported Weed Risk Assessment team, screened over 125 plants for their potential to become weeds. Lyon Arboretum and key landscape industry groups have adopted these assessments as the standard tool for identifying weeds. The ISCs made significant progress controlling targeted plant and animal species and key accomplishments include no calling frogs on Oahu and all known Australian tree ferns were controlled on Molokai. The eradication of coqui frogs is approaching completion on Kauai and Oahu with significant progress on Maui including the development of new tools and a strategy to control the remaining, large population at Maliko Gulch. The HISC funded work to create a statewide ant plan to address the prevention, detection and control strategies for this priority group of species. By using the HISC Working Groups and website ([www.hawaiiinvasivespecies.org](http://www.hawaiiinvasivespecies.org)) as a forum for coordinating efforts and encouraging participation the success of the program has continued to grow.

Additionally, the Department of Land and Natural Resources – Division of Aquatic Resources used the ISC model to develop an innovative Aquatic Response Team and hired a Ballast Water Coordinator improving the State's response to aquatic invasive species. This team now has nine members that are pursuing experimental control methods to remove invasive algae and corals from our reefs. The ISCs demonstrated the ability to provide rapid response teams for unpredictable threats. The ISCs and partner organizations responded to credible snake sightings, reports of mongoose on Kauai, and numerous new coqui frog reports from across the state.

### iv. Native Species

The Department conducts more than 50 projects across the state to monitor, protect, and enhance native and endangered species populations. Statewide surveys to monitor population status and trend for waterbirds, seabirds, and forest birds continued on all the main islands. The surveys contribute to long term data to understand population changes and to provide early detections of any potential threats to population stability. A relatively new project on Kauai has been developed to use modified marine radar to survey threatened and endangered seabirds that fly inland to nest at

night. The surveys are critical to a determination of the population status of these species that appear to have experienced a severe population decline over the last 10 years. Also notable was the discovery of what is perhaps the largest known breeding colony of the endangered Hawaiian Petrel on Lanai. This species was feared to have declined or been lost from Lanai until last year when the Department deployed crews to conduct extensive night surveys using radar. Monitoring continues for these endangered seabirds on these islands to gain the information needed to ensure their protection and recovery.

Full-time field teams are now deployed to coordinate and conduct special projects for select species and habitats. These include the Kauai Endangered Seabird Project, the Kauai Forest Bird Recovery Team, the Lanai Endangered Seabird Project, and the Maui Forest Bird Recovery Project. These teams carry out management needs for native birds that include predator control, population monitoring, assessment of threats, and reintroduction into new habitats to reestablish populations. Plans are now underway to establish a similar field unit for the recovery of the Alala, Hawaii's most critically endangered species. The Alala Recovery Team has completed a broad plan, has prioritized recovery tasks, and is prepared to begin an extensive community and landowner involvement program to lead the recovery of this species.

For many of Hawaii's most critically endangered species, captive propagation and reintroduction is the only viable recovery strategy. Captive propagation programs are continuing for these species, which include five forest bird species and hundreds of plant species. Notable long-term program successes involve many of Hawaii's most charismatic species and include 1) Nene-recovered from a population on the brink of extinction with fewer than 50 birds to more than 1,300 at present, 2) Alala - saved from extinction with a captive flock that has grown to 51, 3) Puaiohi - recovering from a population numbering only a few dozen to approximately 400 now, and 4) Palila - a new population has been established on the North slope of Mauna Kea. To date, more than 420 birds have been reintroduced into native habitats statewide. In addition, the Department continues an aggressive program for propagation and outplanting of native plants, maintaining hundreds of species, and outplanting more than 25,000 individuals in the last two years.

#### v. Outreach and Cooperative Conservation

The statewide program for cooperative conservation includes more than 20 projects for public information and education, community and volunteer collaboration, interagency coordination, and landowner and public-private partnerships to protect native resources. The Landowner Incentive Program is supporting landscape-scale habitat protection across the state and has continued construction of fencing and removal of ungulates in sensitive native habitats.

The Department has also continued to provide extensive support to private partnerships seeking Habitat Conservation Plans (HCP) and Safe Harbor Agreements (SHA). A statewide Safe Harbor Agreement is nearly complete for private

landowners participating in federal NRCS programs for the protection and restoration of wetland ecosystems. This SHA is expected to be highly effective in encouraging private landowners to participate in these programs.

The Department also continued an extensive outreach project on Kauai to involve the community in efforts to reduce the impacts of lighting and collision on endangered seabirds. In the last year, significant gains were made to reduce light intensity and hazards across the island. Hundreds of downed birds were picked up by concerned citizens and delivered to rehabilitation facilities where they were cared for and released back to sea. The Department held a community cultural event to launch the season that included a traditional Hawaiian blessing and celebration of the passion and dedication of all the concerned citizens that take the time to rescue downed seabirds and ensure that they are safely released. Many other volunteer projects continued in numerous areas across the state, contributing 1000's of hours to assist in conservation work, including forest, coastal, and wetland habitat protection and restoration. Interagency partnerships have continued a newly established collaboration for surveillance of migratory birds for the transport of avian influenza.

vi. Monitoring, Evaluation, and Planning

The Department recently completed a comprehensive wildlife conservation strategy that provides broad recommendations and priorities for conservation of native species in Hawaii. Work over the last year has focused on transitioning the strategy to a detailed implementation plan through the development of cooperative partnerships for conservation actions. The action plan provides a key element to the program's multi-level planning structure through a landscape-level, habitat-based approach that encompasses the full range of conservation needs for wildlife in Hawaii. The plan also incorporates an approach for monitoring and evaluation of program success to ensure that goals and objectives are met.

Species-specific planning includes the completion of a draft recovery plan for 21 species of Hawaiian forest birds, and completion of a draft recovery plan for Alala. The Department also continues to develop detailed, short-term implementation plans for target species. These five-year plans are highly successful in communicating tasks to partners and providing concrete milestones and benchmarks that can be evaluated periodically to ensure that the projects are on track or to adapt the program direction as appropriate. In addition, the Department continues to work with the watershed partnerships to collaborate to complete or update management plans. Monitoring and evaluation is conducted through the development of detailed, project-level annual reports. The reports provide an analysis of specific performance measures linked to the project objectives. The reports are communicated to partners and used by Department staff for the adaptive development of program improvements.

- b. Explanation of how these performance results relate to program's objectives and department's mission.

The Department's mission is to, "Seek, develop and implement cost-effective strategies for the long-term sustainable management, maintenance, protection and utilization of existing and potential ocean, land, natural and cultural resources of the State of Hawaii in an integrated manner and in partnership with others from the public and private sectors." The Program goals and objectives implement the Department's mission with regard to native resources and fire protection. Development and prioritization of projects and actions for the program are conducted within the framework of the Department and Division's goals and objectives. Each project upon which performance measures are based is linked directly to one or more goals and objectives.

- c. Explanation of how the effectiveness of the program is measured (i.e.: outcomes, measures of effectiveness, benchmarks, etc.) and discussion of the performance results achieved during the past two years.

Program performance is based on the development of projects and actions that are directly linked to one or more goals and objectives in accordance with the Department's and Division's mission. Performance is measured by the number of projects developed within this framework and the success of those projects. Project performance and progress toward benchmarks is evaluated annually through detailed reports. Project success is measured through evaluation of completion of stated goals and includes:

- i. The number of acres of habitat managed to protect, maintain, and enhance the biological integrity of native ecosystems.
  - ii. Capability to reduce the impacts of wildfires on native ecosystems and watersheds, as measured by prevention actions, response time and control effectiveness.
  - iii. The number of alien pests being managed to reduce the impacts of invasive species on native resources.
  - iv. The number of species being managed to protect, maintain, and enhance native species populations, and recover threatened and endangered species.
  - v. The number of education materials produced and distributed to target audiences, and the number of partnerships and individuals in collaboration to promote outreach and foster partnerships to improve public understanding, responsibility, and participation.
  - vi. Completion of annual program monitoring and evaluation to guide the development of recovery and management plans and to ensure cost effective adaptive management of implementation actions and tasks.
- d. Discussion of actions taken to improve performance results

The Program continues to expand effectiveness through the development of cooperative conservation partnerships. The program aggressively and successfully competes for federal and private grant funds to build capacity to enhance long term projects and

develop new projects to expand the scope of natural resource and fire protection statewide. Overall planning and guidance are provided by the Hawaii State Wildlife Action Plan. Habitat and species-level programs are overseen and conducted by specialized recovery teams, working groups, and implementation teams. The program draws extensively from cooperative efforts among multiple agencies, non-governmental organizations, landowners, and private citizens. The collaborative efforts provide the community with opportunities to participate in conservation, enhance the level of expertise through participation by highly skilled subject area experts, broaden the scope of targeted projects, and leverage limited funding by pooling resources, securing grant funds, and utilizing in-kind contributions.

- e. Identification of all modifications to the program's performance measures and discussion of the rationale for modifications

Program staff conducted a complete review of the strategic planning framework of the LNR 402 program in FY06. This new framework has served well in FY07 and provides a strong foundation for accountability and adaptive management. Following the Department's and Division's vision and mission, the team refined and developed the Program's goals and objectives to more clearly reflect the Department's mandates and new directions that are being developed as the program expands and gains success. The process identified six core goals, each of which are supported by numerous objectives. The objectives, in turn, are supported by project-level actions for which specific performance measures are readily identifiable through annual reporting. The new set of performance measures provided in 2.c. above encompass the more than 150 projects and provide a full, project-level representation of the program goals.

### 3. Problems and Issues

- a. Discuss any problems and issues encountered by the program
  - i. Invasive Species

Without a comprehensive program with dedicated funding for the development of new solutions to invasive species threats, the continuation of partnership projects such as the Invasive Species Committees (ISCs), and support of integrated reporting and accountability mechanisms such as the new statewide pest hotline (643-PEST), the introduction of invasive species will remain one of the greatest threats to Hawaii's environment, economy and way of life. The past reduction in funding to the HISC, as well as fragmenting funding to the species specific coqui frog program, reduces the ability of the state to develop effective, comprehensive prevention and control programs for invasive species. Piecemeal approaches, limited funding divided between agencies, and reactionary programs have historically not proven effective in reducing the impacts of invasive species in Hawaii.

Control of priority invasive species can be hindered by shifting limited resources to emergency response efforts for new outbreaks. Control of priority invasive species is also rendered less effective by inadequate control of inter and intra island movement

of priority invasive pests as well as ambiguity in the regulations relating to vertebrate pests spread via the horticulture industry. This is especially problematic for maintaining an effective response to coqui. Solutions to prevent the introduction of and to control these and other priority species are dependent on a comprehensive program to provide resources, improve legal authorities and response, and engage the public and multiple agencies. A comprehensive, consistently funded statewide invasive species program is a top priority.

## ii. Endangered Species Recovery

Hawaii has more endangered species than any other state and has more than 30% of all the listed species in the U.S. Heroic efforts to save the last Po'ouli in FY06 failed and brought worldwide attention to Hawaii's extinction crisis. In the last 40 years, 10 species of forest birds found nowhere else in the world have become extinct – an astonishing rate of one every four years. Losses of plant species are higher yet.

Threats and management needs for endangered species have never been greater. While the Department has rapidly expanded cooperative conservation programs by increasing partnerships and program funding, the level of funding needed to prevent further extinctions and recover species still falls far short. At current levels of funding, the extinction crisis will continue and the unique plant and animal species that are integral to biological and cultural heritage of the islands will be lost forever. In addition, state matching funds required money for federal grants also fall far short, placing continuing, new, and future programs at risk. While significant state funds are available to support the program, most are earmarked for invasive species, watershed or acquisition projects, leaving nearly \$10M in federal funds for native species protection without dedicated operating funds to meet matching requirements. In part, this shortfall is made up by state salary contributions and in-kind support. However, the program remains under matched and the shortfalls presently limit further program development and threaten to result in the loss of federal grant funds. While progress has been made recently on all fronts, availability of a consistent and dedicated source of state funds remains the greatest obstacle to continued program development and expansion of the program through cooperative conservation partnerships.

## iii. Fire and Emergency Response

With the new and increasing risks to public health, safety, and the environment that have become more frequent in the past few years, the capacity of the Department to prevent, monitor, and respond to natural emergencies has not kept up with the responsibilities. Emergent avian diseases such as avian influenza and West Nile virus pose an increasing threat to public health, the island economy, and native bird species. These diseases have rapidly spread in North America and Europe in recent years, and may become established in Hawaii through transport by migratory birds that visit the islands each winter. The Department has an obligation to cooperate with other agencies to maintain an extensive statewide early detection program to ensure that an effective response can be mounted in the event of the establishment of these

diseases in the islands. While the Department has secured federal grant funds to assist this work, no dedicated staff are available to provide the leadership and coordination role that is demanded by the complex issues that arise from these threats. Similarly, the Department has virtually no capacity to participate and respond to oil spills that may affect large numbers of native seabirds.

Over the last 10 years, the Division's fire budget has been chronically insufficient. While expenses to fight fires have averaged over \$400,000 annually, only \$300,000 has been available in the fire suppression budget. These annual shortfalls have been made up through emergency allocations from other agencies such as the Department of Health, or through the emergency redirection of other program funds. This budget shortfall and crisis-driven management of the fire program reduces program effectiveness and places strains on other programs.

Fires have not only affected watershed areas but have affected areas in the wildland/urban interface. These areas can best be defined as areas where homes and/or communities abut wildland areas or where these communities or homes are surrounded by brush or forested areas. The drought conditions that have affected the state over the past five years have exacerbated the wildland fire situation and place additional demands on already stretched fire fighting capabilities. Fires are more frequent, burn larger areas, and are more dangerous to the public and firefighters that fight them. This was especially true this year when fires on Oahu, Maui and west Hawaii put communities and the public at very high risk. These same phenomena are occurring throughout the country and world.

Although the Division has the training and technical expertise to suppress wildland fires, it is not a full-time firefighting agency, and does not have the resources to participate in all wildfire suppression activities outside its jurisdiction. As the only State firefighting agency, we have the responsibility to assist the State Civil Defense Agency when called upon. This impacts our other operational programs. An increase in the Division's fire suppression funding is needed to adequately provide for actual costs in fighting fires.

The Division of Forestry and Wildlife also assists fire-fighting efforts outside State lands by providing \$200,000 annually to the County fire departments through the federal Volunteer Fire Assistance (VFA) Grant Program. The VFA Program assists rural fire departments by providing cost-share grants for training, equipping, and organizing. The rural fire departments represent the first line of defense in coping with fires and other emergencies in rural areas and rural communities. The insular nature of our State and its counties requires the highest level of cooperation and teamwork from all levels of government. Maintaining cooperative mutual aid agreements with all County Fire Departments is essential to provide fire suppression in critical urban interface and wildland areas. The Department must have the capacity to respond and assist when requested to maintain the mutual-aid partnership.

b. Program change recommendations to remedy problems

Present funding levels are insufficient to ensure adequate protection for Hawaii's natural resources. New initiatives are needed to develop a stable and dedicated source of state funds to provide match for federal grants and facilitate enhancement of the programs to prevent and control invasive species, protect and recover native species and their habitats, and prevent and suppress wildfires.

The Hawaii Invasive Species Council budget has supported important innovations and success over the past four years. Currently the majority of funding for invasive species is from Department Special funds to State general funds will reduce the impact of this program on other priority Departmental programs. Funding invasive species programs by taking money from natural resource conservation programs will only slow recovery of endangered species and critical native ecosystems already imperiled by invasive species. Invasive species programs involve transportation, quarantine, agriculture, and health, as well as our land and natural resources.

Recognizing the scope of the projects and actively pursuing the potential funding sources identified by the 2002 Legislative Reference Bureau "Filling the Gaps in the Fight Against Invasive Species" is needed. Developing a mechanism such as a dedicated Emergency Response fund would improve the ability of HDOA and DLNR as well as partnership staff to respond to detections and outbreaks of new pests such as the nettle caterpillar, send staff to respond to snakes and diseases such as West Nile Virus. Currently, the unpredictable expenses associated with emergency responses reduce the ability of the invasive species program to maintain the control readiness and effort required to eradicate current priority target species.

A key element in the Hawaii State Wildlife Action Plan is the protection of native seabirds and forest birds from introduced predators such as cats, mongoose, rats and mice. The Departments requires dedicated long-term resources to plan for and develop large-scale predator control to protect native birds. At this time, the tools such as predator proof fencing and aerial applications of rodenticide, and strategies to carry out watershed level control of predators exist and can be put into place if resources are made available.

The Department supports the HDOA initiative to increase the State's capacity to carry out biological control research. Many of the forest pests are widely established and can not be controlled mechanically. The introduction of very specific, well studied insects and diseases to suppress the worst forest weeds such as miconia, strawberry guava, and albizia is needed to prevent further loss of native forests.

- c. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.



While progress has been made in all aspects of the Native Resources and Fire Protection program, availability of a consistent and dedicated source of state funds remains the greatest obstacle to continued program development and expansion of the program through cooperative conservation partnerships. The Department will continue to seek partnership funding and operational opportunities and new sources of match for critical native resource programs.

4. Expenditures for FY08

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restrictions	Estimated Total Expenditures
(Pos. Count)	(62.50)				(62.50)
Personal Services	3,203,044	97,028	250,000	0	3,550,072
Current Expenses	11,053,555	0	14,876,165	0	25,929,720
Equipment	38,000	0	0	0	38,000
Motor Vehicles	257,500	0	0	0	257,500
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(Pos. Count)	(62.50)				(62.50)
Total Requirements	14,552,099	97,028	15,126,165	0	29,775,292
Less:					
(Pos. Count)	(0.00)				(0.00)
Special Funds	3,405,193	0	(347,500)	0	3,057,693
(Pos. Count)	(6.00)				(6.00)
Federal Funds	5,119,080	8,364	14,973,665	0	20,101,109
(Pos. Count)	(56.50)				(56.50)
General Funds	6,027,826	88,664	500,000	0	6,616,490

a. Explanation of all transfers within the program I.D. and its impact on the program

The federal funds ceiling was increased by \$14,973,665 in FY08 to carryover \$6,702,755 in multi-year and unfinished project funds and incorporate \$8,270,910 in new federal grant funds for the Endangered Species Act Section 6 Program and the National Coastal Wetlands Program.

\$500,000 in General Funds were transferred into the fire protection program to increase

the ceiling for the Fire fighters Contingency Fund [\$250,000 to Personal Services and \$250,000 to Current Expenses] to augment funding for fire suppression costs on the 14 wildfire that occurred throughout the State between July – December 2007 and to replenish the fund for fire suppression needs for the duration of fiscal year, January 2008 – June 2008.

\$347,500 in Special Funds was transferred to the Department of Health as part of the approved Hawaii Invasive Species Program budget to fund a portion of the Department of Health’s monitoring, response and outreach efforts for preventing West Nile Virus.

b. Explanation of all transfers between program I.D. and the impact to the program

None

c. Restrictions and their impact on the program

None

5. Supplemental budget request for FY09

	Appropriation Act 213/2007 FY 2008-09	Budget <u>Adjustment</u> FY 2008-2009	Supplemental <u>Request</u> FY 2008-2009
(Pos. Count)	(63.50)	(0.00)	(63.50)
Personal Services	3,318,528	0	3,318,528
Current Expenses	10,217,556	0	10,217,556
Equipment	19,500	0	19,500
Motor Vehicles	125,000	0	125,000
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(Pos. Count)	(63.50)	(0.00)	(63.50)
Total Requirements	13,680,584	0	13,680,584
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds	3,405,193	0	3,405,193
(Pos. Count)	(6.00)	(0.00)	(6.00)
Federal Funds	5,119,081	0	5,119,081
(Pos. Count)	(57.50)	(0.00)	(57.50)
General Funds	5,156,310	0	5,156,310

a. Workload Or Program Request

- i. Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program.

None.

- ii. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None.

- iii. For all lump sum requests, provide a detailed breakout indicating specific purposes for all planned expenditures.

None

- b. For all positions count reductions, please specify whether the positions were new, filled or vacant.

None.

6. Program Restrictions.

None

7. Capital Improvement Program (CIP) requests for FY09.

See Appendix A.

8. Proposed lapses of CIP projects

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 04 02 04  
Program I.D. and Title: LNR 404 - Water Resources

**I. Introduction**

**A. Summary Of Program Objectives**

Manage the conservation, protection, planning, and utilization of the State's water resources for social, economic, and environmental needs as mandated by the State Water Code (Water Code).

**B. Description Of Program Objectives**

1. Implement policies, procedures, and rules on water development, protection, and usage in conformance with the Water Code.
2. Protect water rights and existing uses while ensuring adequate provision for objectives declared to be in the public interest.
3. Monitor chloride quality related to ground-water availability and administratively control usage of ground and surface water to ensure reasonable-beneficial use, where necessary.
4. Protect potable resources, prevent contamination, and maintain utility of and optimize ground-water resources by establishing and enforcing standards for well construction, pump installation and well abandonment.
5. Maintain an instream use protection program to protect, enhance and reestablish, where practicable, beneficial instream water uses.
6. Develop, implement, and update comprehensive short and long-range plans to protect, conserve, and manage water resources.
7. Conduct investigations and implement appropriate actions for the administrative resolution of water-related complaints and disputes.
8. Engage in capital improvement projects to better monitor, understand, and protect statewide water resources.
9. Collect baseline ground-water data to assess changes in water levels and aquifer thickness over time, monitor changes in salinity profiles in major aquifers, and determine the response of aquifers to climatic and pumping stresses.

10. Catalog and maintain an inventory of hydrologic data, geologic data, and topographic surveys.

**C. Explanation Of How the Program Intends To Meet Its Objectives Within The Upcoming Supplemental Year**

1. Comprehensive Water Planning As land use changes proceed apace and population increases, demand for water and public concern for the resource continues to grow. To address these issues, the Commission on Water Resource Management (Commission) will continue its phased updating of the Hawaii Water Plan (HWP), a multi-component long-range planning document that guides the Commission in its decision-making.

The HWP currently consists of five major components plans identified as the: 1) Water Resource Protection Plan (WRPP); 2) Water Quality Plan (WQP); 3) State Water Projects Plan (SWPP); 4) Agricultural Water Use and Development Plan (AWUDP); and 5) County Water Use and Development Plans (WUDP). The Water Code mandates that these individual plans be prepared and integrated into a comprehensive “master plan” to provide for effective coordination and long-range planning between state and county agencies. To fulfill this mandate, the components of the HWP must be reviewed and updated on a regular basis.

The Commission is working towards completing its first update of the WRPP since its initial adoption in 1990. The updated WRPP will describe all of the Commission’s policies, programs, and activities to protect and sustain the State’s ground- and surface-water resources, watersheds, and natural stream environments.

The Commission will continue to coordinate with the Department of Health (DOH) to update the WQP. Together with the WRPP, the WQP provides the policies and framework for protection and enhancement of the State’s water resource. The WQP is focused on protection of water quality, particularly for drinking water sources. A scope of work has been completed and opportunities to fund a WQP update are being explored.

The Commission will facilitate and provide technical assistance and guidance in the SWPP update. Through the SWPP, the projected water demands for state projects, and existing strategies to meet the demands, will be identified and updated. The SWPP guides the Department in their capital improvement projects requests and provides state source and demand information to the Counties for incorporation into the County WUDPs. A funding source for the next update has been identified.

The Commission will adopt the third update of the AWUDP. The major objective of the AWUDP is to develop a long-range management plan that assesses state and private agricultural water use, supply and irrigation

water systems, projected water demands and prioritized rehabilitation of existing agricultural water systems.

The Commission also continues to coordinate and provide technical assistance and guidance in the updating of the County WUDPs. The Counties of Hawaii and Maui and the City of County (C&C) of Honolulu are presently undertaking updates to their respective WUDPs, which will provide 20-year demand forecasts and strategies to meet these demands. The Commission will continue to work with the County of Kauai who is planning to begin the updating of its WUDP.

The Commission will initiate development of a statewide comprehensive water conservation program to identify, coordinate, encourage, and if necessary, require formulation of water conservation plans and programs for municipal operators and operators of private water systems, such as farmers, state parks, private domestic users, industrial users, and commercial users, such as golf courses. This initiative will help to implement the 2005 Department's Prototype Water Conservation Plan (2005) and water conservation strategies and technologies for various water use sectors identified in the 2007 Water Conservation Manual for State of Hawaii Facilities.

The Commission will also continue to administer its drought program and update the County Drought Mitigation Plans. The 2007 Legislature appropriated, and the Governor approved the release of funds to implement drought mitigation projects. The Commission will administer the disbursement of funds and provide fiscal and technical oversight. To protect water resources during times of drought, the Commission will identify and prioritize water management areas for water shortage planning efforts.

The Commission will continue to provide guidance and facilitate the completion of the stormwater reclamation and reuse study for Hawaii. The objectives of this study, which the Commission, in collaboration with the United States (US) Bureau of Reclamation (BOR), is undertaking, are to develop an overall stormwater reclamation and reuse framework and to further study reclamation and reuse in the Ewa Plain and through groundwater recharge.

2. Stream Protection Under the Water Code, the primary means of protecting streams is through establishment of instream flow standards (IFS). Recognizing the complexity of establishing IFS for the State's 376 perennial streams, the Commission set interim IFS at "status quo" levels, defined as the amount of water flowing in each stream (with consideration for the natural variability in stream flow and conditions) at the time rules were adopted in 1988 and 1989. The Hawaii Supreme Court (Supreme Court), on reviewing the Waiahole Ditch Contested Case Decision and Order, held that such "status quo" interim IFS were not adequate to protect

streams and required the Commission to take immediate steps to assess stream flow characteristics and develop quantitative interim IFS for affected Windward Oahu streams, as well as other streams statewide.

To address the Supreme Court's mandate within realistic budgetary and resource constraints, the Commission is developing a methodology to establish IFS for all streams statewide using best available information.

The Commission has developed a Program Implementation Plan to identify the foundational elements that must be undertaken to proactively address IFS. The Plan is intended to be a "living" document that shall be evaluated regularly over the course of each year to identify tasks completed, those that must be initiated, and any new tasks, which need to be included. The Plan will also serve as a tracking mechanism for the overall progress of the Instream Use Protection Program, as a whole.

The Commission hired a Geologist I and Hydrologist II as appropriated by the 2006 Legislature. These two positions were placed within the Instream Use and Protection Section of the Stream Protection and Management Branch and will greatly improve the Commission's ability to implement the goals and objectives of the Program Implementation Plan to effectively move forward on IFS issues. Specifically, the Commission will be focusing on priority areas in East Maui, followed by streams in Central and West Maui, and Windward Oahu.

The Commission continues to coordinate instream use protection efforts with the Department's Division of Aquatic Resources (DAR). DAR has completed development of their aquatic stream survey database, which manages data collected from on going stream survey activities. The database is an integral part of the Commission's Instream Use Protection Program, providing information on location, abundance, and diversity of freshwater species. DAR, in coordination with the Commission, is continuing to work with Dr. James Parham, of the University of Nebraska to refine an Atlas of Hawaiian Watersheds & Their Aquatic Resources, along with developing additional atlases on aquatic species and aquatic community predictions. These atlases are based upon DAR's aquatic survey database and will provide valuable aquatic species information in support of the Commission's work.

In addition, Act 160, Session Laws of Hawaii (SLH) 2006 (Supplemental Appropriations Act of 2006), appropriated to the Commission, the sum of \$650,000 for the purpose of conducting statewide field investigations to verify and inventory surface-water uses and stream diversions, and update existing surface water information. Being one of the key requisite steps towards the establishing of IFS statewide, the Commission finalized the contract negotiation phase and the project scope of work with the consultant in March 2007. As of October 2007, the consultant had completed field investigations for Waihee, Waiehu, Iao, and Waikapu

Streams (Na Wai Eha) and is nearing completion of diversions in the East Maui area. The project is scheduled for completion in 2009, subject to weather conditions and site accessibility.

Recognizing the importance and continuing need for stream information, DLNR included as part of its Fiscal Biennium 2007-2009 budget request, funding to undertake regional stream studies in support of establishing IFS. The 2007 Legislature subsequently approved \$400,000 to the Commission, \$150,000 of which has been transferred to DAR for various stream studies including, but not limited to, standardized point-quadrat aquatic surveys and rapid bioassessment surveys in under-sampled watersheds. Of the remaining \$250,000, the Commission has allocated \$200,000 towards conducting a Statewide Stream Channel Condition Inventory (Inventory). The remaining \$50,000 will be used to fund specific cultural water use surveys related to current priority areas, in addition to an on-going United States Geological Survey (USGS) hydrological/biological study of Na Wai Eha streams on Maui.

3. Ground Water Protection The Commission has determined that availability and utility of ground water resources are threatened in some areas of the State, and has designated such areas as water management areas. Designation of a ground water management area (GWMA) provides for administrative control over the withdrawal of ground water to ensure reasonable and beneficial use of water in the public interest. The Commission administers regulation of ground water management areas through the issuance of water use permits to ensure that cumulative pumpage does not harm the resource, and end uses are reasonable and beneficial. Much of the Commission's resources has been and continues to be directed toward the review and processing of water use permit applications (including contested case hearings related to such applications) for the designated Iao Aquifer System GWMA on Maui.

The Commission will continue issuance of well construction and pump installation permits to ensure compliance with well construction, pump installation, and well abandonment standards. The Commission will continue to seek compliance with monthly water use reporting requirements, and process petitions to designate ground water management areas, water reservations requests, petitions for declaratory rulings, complaints, and enforcement of violations.

4. Data Collection and Analysis Meaningful hydrologic data will continue to be collected. The data are imperative for decision-making regarding availability and use of the resource. Water uses will continue to be inventoried and their effects will be monitored to protect and prevent any degradation of ground and surface water sources. The Commission collects, analyzes, and interprets hydrological data to obtain an understanding of water resources within a particular area. Data from deep monitor wells are used in construction of analytical and numerical



computer models and were used to re-assess sustainable yields in 16 aquifer system areas for the WRRP using a newly developed analytical model. A new water use database continues to be improved. The database will provide information on groundwater use for planning, regulatory, and scientific purposes.

Deep monitor wells provide vertical “windows” into groundwater aquifers. Many Hawaiian aquifers are in contact with ocean water. As pumpage in an aquifer increases, ocean water is drawn into the aquifer. Instruments lowered (conductivity/temperature/depth logging (CTD)) into deep monitor wells measure changes in the salinity (conductivity) over depth and time. Water level data from wells are also important in determining the health of aquifers. Similarly, raingage and fog drip data are essential in understanding how much water is available.

The Commission has six deep monitor wells in the Pearl Harbor Aquifer Sector, two deep monitor wells in Kailua-Kona (Keauhou Aquifer System), and three deep monitor wells on Maui (Iao and Honokawai Aquifer Systems). One of the wells in Kailua-Kona will be modified to provide better information. Drilling of another well in Waihee has commenced and is due to be completed in 2009.

## **II. Program Performance Results**

### **A. Discuss Program Performance Results Achieved In Fiscal Year (FY) 2007**

1. Comprehensive Water Planning: In FY 2007, the Commission worked diligently on various aspects of the HWP:
  - a. Completed a draft update of the WRPP and conducted statewide public hearings. Public comments received were reviewed and incorporated into the draft WRPP as necessary.
  - b. Prepared a white paper for higher-level discussions with DOH on the importance and need for an updated WQP.
  - c. Facilitated inter-divisional discussions to identify a funding source for the SWPP update. The Commission provided technical review and comments on the proposed consultant scope of work.
  - d. Provided technical guidance and assistance to the DOA on their third update of the AWUDP. The Commission provided technical review and comments on the draft AWUDP.
  - e. Provided technical guidance and assistance to the C&C of Honolulu on their regional WUDP update through regular monthly coordination meetings between the Board of Water Supply (BWS), the Planning and Permitting Department, and their consultants.

- f. Provided technical guidance and assistance to the County of Maui on their regional WUDP update through periodic coordination meetings between the County's Department of Water Supply (DWS), their consultants, and community and stakeholder groups. The Commission reconvened the Molokai Water Working Group to provide recommendations towards the development of the Molokai WUDP.
- g. Attended public hearings on the draft WUDP for the Island of Hawaii and provided review comments and suggestions.

The Commission oversaw the completion of the Water Conservation Manual for State of Hawaii Facilities in FY 2007, and joined the Environmental Protection Agency's WaterSense Program as a partner in an effort to begin water conservation planning and activities.

Also in FY 2007, the Commission updated the County Drought Mitigation Plans, coordinated funding opportunities from the US Federal Emergency Management Agency (FEMA) and BOR for emergency response and drought mitigation. The Commission developed a technical approach for the disbursement of Act 238, SLH 2007, drought mitigation funds and prepared memorandums of agreement to sponsoring agencies.

- 2. Stream Protection During FY 2007, the Commission processed nine stream channel alteration permits. However, the total number of permits processed does not reflect actual time and/or resources incurred to review and address inquiries related to the permits that may include conducting requests for determination (whether a proposed project does, in fact, fall within a stream channel), field investigations, and identification and coordination of additional permitting requirements by other agencies.

The Commission received 14 complaints related to surface-water issues in FY 2007. Staff resolved 10 of the 14 complaints, or determined that the complaints were unrelated to matters under the Commission's jurisdiction. The four unresolved complaints are currently under review and may be subject to further actions before the Commission.

- 3. Ground Water Protection In FY 2007, the Commission issued six water use permits including transfers for 71 well sources. 31 water use permit applications for the Iao GWMA were submitted for existing and future uses. The Commission continues to process water use permits for this area and other designated GWMA's on Oahu and Molokai. Commission action on the applications for the Iao GWMA sources have been delayed subject to an ongoing contested case hearing, but basal and caprock applications have been resolved and issued. The remaining applications from high-level tunnels are tied to a petition to amend interim IFS to restore four West Maui streams. The IFS petition and water use permit

applications are being processed together at the same time in a contested case hearing.

Staff has been reviewing and revising the water use permit applications to recognize Supreme Court decisions and past Commission actions to clarify necessary information and processing updates. Staff anticipates resolving this by early 2008 so that anticipated designation of surface waters in the Iao area can proceed as well. Part of the new requirements relate to the creation of an irrigation demand model through the combined efforts of the Commission, CTAHR, and the Natural Resources Conservation Service (NRCS) to estimate reasonable non-potable demands for specific crops and geographic locations.

In FY 2007, the Commission issued 120 well construction/pump installation permits, roughly comparable to the 122 permits issued in FY 2006. Of these 120 permits, six were for sealing abandoned production wells, which represents a 200% increase in permitted sealing activities

4. Data Collection and Analysis In FY 2007, the Commission collected 29 CTD profiles from 10 of the State's deep monitor wells. In FY 2008, the Commission will collect approximately 35 CTD profiles from the state wells. The Commission collected continuous or periodic water level measurements in 19 wells statewide. Rainfall and fog drop data was collected from two dryland rain gages in West Hawaii.

The Pearl Harbor Deep Monitor Wells show variable conditions. Data from the Halawa Deep Monitor Well indicate that the thickness of the aquifer in the eastern part of the Waimalu Aquifer System area has decreased significantly. Data from Waipio Mauka Deep Monitor Well also show aquifer thinning. Other deep monitor wells in the Pearl Harbor area show stable conditions. On Maui, data from the Waiehu Deep Monitor Well continues to show rapidly thinning of the basal aquifer in the Iao Aquifer System area. The rate of thinning appears to be accelerating. The new Iao Deep Monitor Well will help in the assessment of this situation. Data from the Mahinahina Deep Monitor Well show stable conditions, though there are structural concerns about the well and the data collected therein. In West Hawaii, preliminary analysis of deep monitor well data at Kahaluu indicates the aquifer appear static or slightly thickening. Also, water levels in the Kona high-level aquifer continue to decline. The Kona high-level water is extensively being tapped for municipal use.

In FY 2007, construction began on a new deep monitor well in Waihee, Maui, which should be completed by early 2009. In addition, the dryland rain gage located in the Pohakuloa Training Area (West Hawaii) was dismantled and removed due to access issues related to on-going

operations at the military installation and the presence of a nearby USGS rain gage.

**B. Explanation Of How These Performance Results Relate To Program's Objectives And Department's Mission**

The Commission is responsible for protecting and enhancing the State's water resources through wise and responsible management that will promote maximum beneficial use of water resources for social, economic, and environmental needs. The performance results point toward the active role the Commission plays in carrying out its management duties.

**C. Explain How The Effectiveness Of The Program Is Measured (i.e.: Outcomes, Measures Of Effectiveness, Benchmarks, etc.) And Discuss The Performance Results Achieved During The Past Two Years**

1. Permit Processing Performance results are measured in part by timeliness of permit processing and/or resolution of complaints/disputes. Most water use permits have a processing time limit of 90-days, while some permits (requiring a public hearing) may take up to 180 days. There are no rules or procedures governing time limits for resolution of complaints/disputes, but they are expected to be addressed within 120 days. Goals of 90% for processing permits within time limits and 80% for resolution of complaints/disputes have been established.

Of the 122 permits processed in FY 2006, all but three were processed within the 90-day time limit, again within the 90% goal. Of those three, two were pump installations in ground water management areas where related water use permits were required prior to approval, thereby causing a delay by seven days. Of the 120 permits issued in FY 2007, all but two were processed within 90 days.

2. Ground Water Protection Through Designation Designation of water management areas threatened by excessive withdrawals has proven effective in reducing water usage. In June 2003, pumpage in Iao exceeded 18 million gallons per day (mgd), which triggered designation of Iao as a ground water management area. Permitting of new water demands will be processed after existing uses are established and permitted by the Commission. Part of the designation proceedings has resulted in a preliminary numerical ground water model funded by the county that should help optimize existing well infrastructure pumpage. Similarly, designation and designation proceedings in other areas such as Oahu, Molokai, and Lanai have inspired the development of numerical ground water models to assess the optimization of existing well infrastructure and estimate potential impacts on the ground water resource in response to such development. In addition, Lanai has certain hydrologic milestones in place to automatically reopen ground water designation proceedings

should they be met, which are based in part on the numerical model developed for that island.

3. Data Collection and Analysis Data collection and analysis by the Commission was instrumental in the decision to designate the Iao Aquifer System area as a GWMA.
4. Securing Funding and Building Partnerships Program effectiveness can also be measured by efficacy of efforts to secure federal funding and assistance in support of Commission mandates. The Commission was successful in securing \$250,000 in federal funding for emergency drought response activities from FEMA and \$217,000 for drought mitigation activities from BOR. In support of drought mitigation and County Drought Mitigation Plans, the 2007 Legislature appropriated and the Governor approved the release of \$4,000,000 for implementation of the updated plans. The Commission was successful in applying for and obtaining \$118,000 from the Watershed Partnership Program for the collection of additional hydrologic data.

**D. Discuss Actions Taken To Improve Performance Results**

As mentioned earlier, the Commission is developing a methodology to establish IFS for streams statewide incorporating best available information and public input. The surface-water hydrologic units adopted by the Commission will facilitate the collection and analysis of stream resource data by hydrologic units. The Commission has begun the development of a comprehensive database to store and manage information that will be used in both the IFS methodology and regulatory permitting. The Commission use of GIS is also being developed based on new and existing databases, to manage and evaluate diversions, stream channel alterations, and various other stream-related activities.

For water management areas and corresponding water use permit applications, staff continues to refine the application process in a manner similar to the well construction and pump installation permit application process to more clearly define required information based on recent Supreme Court decisions regarding public trust priorities, reasonable & beneficial use estimations, and alternative source analysis. It is anticipated that such an update will improve required application information resulting in more timely Commission decisions. Part of this update will rely upon the Commission's utilization of an irrigation model being developed in conjunction with CTAHR and NRCS. The model will be used to more accurately estimate irrigation demands for water use permit applications.

**E. Identify All Modifications To The Program's Performance Measures And Discuss The Rationale For These Modifications**

No modifications were made to the Program's performance measures.

### III. Problems and Issues

#### A. Discuss Any Problems And Issues Encountered By The Program

1. Addressing the Hawaii Supreme Court's Ruling on the Appeal of the Waiahole Ditch Contested Case Hearing The Supreme Court ruling on the appeal of the Waiahole Ditch Contested Case Hearing requires the Commission to undertake appropriate steps to assess stream flow characteristics and develop IFS for certain Windward Oahu streams and other streams statewide, as well as require implementation and comprehensive water resources planning in regulation and management of water resources.

The Supreme Court acknowledged the Commission's finding that calculating the exact relationship between instream flows and ecological benefit remains difficult due to lack of sufficient scientific knowledge. The Supreme Court reaffirmed the setting of IFS as an integral part of the regulatory scheme established by the Water Code and that establishment of standards on a stream-by-stream basis is necessary to protect public interest in water.

As noted, the Commission has implemented a SWIM System for the management of surface-water information. The SWIM System however, is based in part, upon diversions registered with the Commission in 1990. Location and water use of many of these diversions were never verified through field investigations, and many have since been abandoned or altered due to recent changes in large-scale agricultural operations. Additional information (e.g., stream diversions, stream channel alterations, agricultural systems) must be inventoried to provide required data in support of the IFS process.

2. Water Resource Limitations Parts of the State are approaching limits on water. On Oahu, there is an estimated sustainable yield of 446 mgd of ground water. Based on current reported water use from basal aquifers, about 188 mgd is currently being used, which leaves 258 mgd available to meet future demands, forecasted to increase by about 50 mgd in 2030. However, not all of the sustainable yield surplus is considered economically extractable, some of the surplus may not be of potable quality (e.g., brackish water), and a significant portion of unallocated ground water (approximately 50 mgd) may have an impact upon Windward Stream flows, thus potentially reducing availability. The Commission must remain vigilant in monitoring and continual reassessment of sustainable yields, while continuing to explore and advocate alternative sources to augment natural supply, such as treating surface water, reusing treated wastewater, and desalting brackish or ocean water should be pursued. The current draft of the updated WRPP has identified several possible reductions to sustainable yields in certain areas that may affect water availability if accepted by the Commission.

Vigilance in monitoring and reassessing ground water limits through sustainable yield estimation requires statewide updates to:

- a. Recharge estimates: This includes updates to rainfall, evaporation, fog-drip, runoff, and soils parameter estimation needed to reassess recharge, preferably through GIS technology;
- b. Elevation benchmark updates: Natural shifts in base benchmark elevations and mean sea levels along with questionable well benchmark construction reporting require this review. For example, a combined year-long effort to verify and reestablish benchmark elevations (hence groundwater-levels) required expertise from the Commission, Maui County DWS, USGS, and the National Geodetic Survey during the Waihee Aquifer System water management area designation process. Absolute ground water levels referenced to mean sea level are extremely important in assessing availability of ground water resources;
- c. Deep monitor well and water level monitoring network: (see III A 4.);
- d. Methodology(s) used to estimate sustainable yields: Various methods are employed to model ground water flow behavior. The Commission has a modeling protocol that should be used to assess modeling efforts and hopefully standardize all ground water modeling efforts.

Methods to assess limitations of surface water availability are more complex than ground water limitations and hydrology because of additional considerations such as cultural, historical rights, and biological considerations. Surface water availability will be addressed through the setting of IFS.

3. Sustaining Water Resources Through More Effective Water Resource Planning Water is Hawaii's most important natural resource. Its protection and preservation is directly linked to health, welfare, and quality of life. Limited water resources and growing demand requires careful consideration and more effective coordination between land use planning and water availability. The current draft of the updated WRPP proposes new sustainable yields for some aquifers based on the latest and best available information. Also included in the draft WRPP is a methodology for setting IFS.

As the Counties update their WUDPs for the first time since 1990, the Commission is encouraging respective county Planning Departments to utilize the findings and recommendations from the WUDPs to inform future land use policies. The Commission continues to promote the WUDPs as the means for the integration of land and water use planning.

As we approach the limits to our water resources, effective and proactive plans and strategies should be in place to optimize and conserve existing uses, to best allocate existing resources, and to implement measures to best meet future needs and competing interests, while protecting and sustaining our water resources.

The Commission continues its efforts to identify obstacles and implement solutions to facilitate more efficient utilization of water. Efforts include, working with state/county agencies to improve data collection, information sharing, and coordination of inter-agency planning activities. Implementation of a comprehensive and integrated planning process will ensure that water availability issues, carrying capacity issues, and competing values are addressed to assist in land use planning decisions. A challenge is convincing various agencies that are responsible for updating the HWP components to prioritize and fund WUDP update efforts. The Commission will continue to seek federal funding and develop partnerships to carry out additional planning studies and programs.

4. Need for Water Resource Data A major component of the Commission's work is sound data collection and analyses. As water resources become harder and more expensive to come by, it is even more critical that hydrological data be available for decision-making about the availability and prudent use of our resources. Estimates of water availability are often based on limited data. Lack of long-term baseline hydrologic data is a problem. More data should be collected from streamgages, rain and fog drip gages, water level well stations, springs and deep monitor wells.

Many drinking water sources are in basal aquifers that are in contact with seawater. Deep monitor wells are drilled to obtain a vertical perspective on the dynamics of basal aquifers, and used to manage aquifers susceptible to seawater intrusion. Currently, there are only five Neighbor Island deep monitor wells, with one more under construction or in planning. This contrasts sharply with Oahu where there are 32 deep monitor wells (26 owned by BWS and six owned by the Commission). As water development accelerates, more deep monitor wells will be necessary in the Neighbor Islands basal aquifers.

In addition, the Commission administers a cooperative agreement with USGS to gather stream and spring flow, water level, and climatic data. This Agreement has been cut back the last couple of years due to budget constraints and increases in operating cost expenses. To reduce the adverse impact, the Commission, as part of its 2007-2009 biennium budget request is requesting supplemental funding for its statewide ground and surface water monitoring program (See V.A.3). In addition, the Commission will continue to look to other programs and agencies to assist in funding. The Commission however, recognizes that this is not a stable



source of funding, and will not result in an effective long-term data collection program.

5. Continuance of Former Sugar Cane Irrigation Systems for Diversified Agriculture Of growing concern are issues tied to stream restoration versus continued use of water flowing in former sugar cane irrigation systems. Sugar plantation closures have left irrigation ditch systems idle or with water usage down from what was required to grow sugar cane. Many ditch systems are also in disrepair and deteriorating due to a lack of maintenance and disputes over who is responsible for such maintenance.

The Supreme Court's Waiahole Decision will impact future use of surface water. Offstream users will have a higher burden to prove their continued use of stream water meets criteria under the Water Code and Public Trust doctrine. The Commission is currently addressing three petitions to amend the interim IFS on Maui. These petitions include: 1) 27 Northeast Maui streams; 2) Waihee, Waiehu, Iao, and Waikapu (Na Wai Eha) Streams; and 3) Honokohau and Honolua Streams.

In May 2001, The Native Hawaiian Legal Corporation filed petitions to amend the interim IFS for 27 Northeast Maui streams. In response to the filing of the petitions, the Commission, in March 2002, entered into a cooperative agreement with USGS for a three-year long study to investigate the water resources of Northeast Maui. The Study was jointly funded by USGS, the Commission, the Department's Land Division, Maui County DWS, and Alexander and Baldwin, Inc (A&B). The Study resulted in two USGS scientific investigation reports. The two USGS reports are the most current additions to the Commission's inventory and compilation of best available information regarding the 27 streams. Staff will distribute the information to interested parties and agencies and solicit comments on the interim IFS petitions. The Commission will also hold a public fact gathering meeting in the area as part of the process to gather additional information to determine interim IFS for these streams.

On June 25, 2004, Hui o Na Wai Eha and Maui Tomorrow Foundation, Inc., through Earthjustice, filed a petition to amend the interim IFS for Waihee, North & South Waiehu, Iao, and Waikapu streams and their tributaries. On October 19, 2004, the Group filed a complaint against Wailuku Agribusiness Co., Inc. and Hawaiian Commercial & Sugar Company and a petition for declaratory order to immediately cease wasting water diverted from these same four streams and their tributaries. The Commission in February 15, 2006, initiated a contested case hearing and authorized its Chairperson to appoint a contested case hearings officer for the combined contested case hearings. On March 17, 2006, the Commission authorized the hearings officer to appoint a mediator to begin the mediation process for the waste complaint. On October 11, 2006, the mediator reported that no agreement was reached. A prehearing

conference for the contested case hearing on the waste issue was conducted in November 2006, and the case continues. A prehearing conference to hear motions and to set up the hearing schedule and witness lists was conducted on Maui in November 2007. The formal hearing commenced in December 2007.

On August 25, 2006, Maui Pineapple Company, Ltd. submitted a petition to establish IFS or, in the alternative, to amend the interim IFS, for Honokohau and Honolua Streams, West Maui. The Commission will compile best available information regarding the streams and distribute the information to interested parties, and agencies for review and comments. The Commission will then hold a public fact gathering meeting in the area as part of the process to determine interim IFS for the streams.

6. Need for Statewide Drought Mitigation and Water Conservation Drought is a reoccurring natural hazard that can last for several years. Although rainfall levels have returned to normal or above normal in some areas, to properly prepare for future drought events, statewide drought mitigation planning must be continued and enhanced, before a drought occurs.

Regular convening and updating of the county drought mitigation strategies and plans are a priority of the Commission. Minimizing severe impacts of extended drought conditions can only be achieved through proactive planning, preparedness, monitoring and assessment of impacts, effective communication and coordination of emergency response actions.

In addition to drought mitigation planning, the Commission is prioritizing the development of a comprehensive statewide water conservation program. Demand-side management efforts should be encouraged and integrated as part of an overall water management strategy to achieve maximum water savings and efficiency thus avoiding the need to develop additional resources. Water conservation is intrinsically linked to resource management and protection and should be facilitated wherever possible. Programs and requirements to conserve (and augment) existing water supply should be supported at both the state and county level.

7. Sealing Abandoned Wells to Protect Groundwater Proper sealing of abandoned wells is a growing problem. These wells provide conduits for pollutants to enter the ground-water system. The Commission has authority to seal wells and put a lien on the well owner's property for the cost of sealing the well, but lacks funds to do the work in the first place.
8. Enforcement 30 after-the-fact activities concerning well construction permits, pump installation permits, and substandard construction are still pending. Many of these activities are related to: 1) Lack of elevation survey being completed; and/or 2) Installation of a permanent pump prior to the issuance of a pump installation permit. The Commission has

completed restructuring the well and pump permit processes with well contractors, well owners, and interested land owners to establish clearer responsibilities to avoid after-the-fact activities. Monthly water use recording and reporting has been a legal responsibility of well or stream diversion owners, and the Commission is currently finishing its in-house ground water reporting database system and will be further facilitating reporting through online internet based submission of reports.

9. Climate Change Effects on Water Resources Worldwide temperature observations indicate that global warming is occurring. Scientists believe that global warming could lead to an increase in the variability of precipitation leading to an increase in drought and flood events; as well as a rise in sea-levels. Increased drought events can interrupt water supplies and rising sea-levels can impact the quality of ground water in coastal areas. Impacts of global warming on water supplies need to be considered in water resource planning. It may be necessary to be more conservative when assessing future ground and surface water supplies, and further study and research on global warming and its impacts should be pursued. The Commission is supporting the research and studying of the impacts on climate change through letters of support and exploring available funding opportunities and partnerships.

#### **B. Program Change Recommendations To Remedy Problems**

1. Future Request for Staff and Funds The Commission continues to seek positions and funding to carry out Water Code mandates.
2. Updating the Hawaii Water Plan (HWP) An updated HWP and implementation of an integrated planning process will facilitate current complex decision-making processes administered by the State/Counties, lead to greater inter-agency coordination, better enable agencies to set priorities, identify improvements, and streamline permitting processes, and most importantly, protect water resources. Plan recommendations emanating from its initial preparation clearly identified need for further studies, assessments, and actions to be taken. This inherent need to continue to improve upon existing plans forms the basis of a “living” document, which over several plan iterations will result in a comprehensive statewide water resource plan. The priority implementation recommendations in the updated WRPP provide targeted strategies and tasks to accomplish Commission goals and objectives. Future budget requests will be based on these recommendations.
3. Increased Water Resource and Aquatic Biota Data The Commission, in coordination and partnership with federal, state, and county agencies, and private sector and community organizations, is striving to collect information and conduct studies in support of developing IFS. Examples of Commission partnerships include: Windward Oahu Stream Studies (USGS, DAR, Bishop Museum, University of Hawaii at Manoa (UH)); the Punaluu Watershed Alliance (USGS, BWS, Kamehameha Schools,

Punaluu Community Association); the East Maui Stream Study (USGS, Maui County DWS, Land Division, A&B), and the Lalakea Alternative Mitigation Project (Bishop Museum, DAR, USGS, UH, Smithsonian Institute, Louisiana State University, and the University of Nebraska). Several specific recommendations regarding data collection have been further outlined in the current draft of the WRPP.

4. Use of Regulatory Authority to Require Data A chloride data collection protocol, well construction standards, aquifer test protocol, and numerical ground-water model documentation requirements were implemented. These have been and will continue to be added as permit conditions to improve current collection and analysis of hydrologic data.
5. Use of Working Groups, Mediators, and Hearing Officers Working groups, such as the Molokai Water Working Group and the Lanai Water Advisory Committee, will be utilized to provide technical expertise and viewpoints. Mediation will continue to be used to resolve conflicting views and to avoid contested case hearings and facilitation will be used to focus and guide group discussions and meetings. Hearings officers will be used to expedite contested case hearings.
6. Upgrades to Computer System Upgrades and maintenance of the existing local area network Novell system & GIS Environmental Systems Research Institute hardware and software are continuing; including additional software purchases E:Mail, Lotus (Notes 2), security software (Border Manager Firewall, Symantec Anti-Virus, Intruder Detection, centralized operating system patches updates for Microsoft Windows 2K), Aquifer Pump Test Analysis (Aquifer Test Water Log; hardware purchases such as work stations, notebooks, and a projector; programming under Microsoft Office Suite including Excel, Word, Access database; and webpage development for online water use reporting including Right Now to automate public inquiries via email to improve staff efficiency. These ongoing improvements have increased ability to share, analyze, and disseminate water resource data.

**C. Identify Any Program Issues Or Problems That Have Affected Or Will Affect The Implementation Of The Program, And The Corrective Measures Or Remedies Established Or Planned**

See Sections III A and B above.

**IV. Expenditures For FY 2007-2008**

	<u>Appropriation Act 213/2007 FY 2007-08</u>	<u>Collective Bargaining</u>	<u>Transfer In/ Transfer Out</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditure</u>
(Pos. Count)	(24.00)				(24.00)
Personal Services	1,600,916	56,038	0	0	1,656,954
Current Expenses	1,206,048	0	-150,000	0	1,056,048
Equipment	11,200	0	0	0	11,200
Motor Vehicles	0	0	0	0	0
<b>Total</b>	<b>(24.00)</b> 2,818,164	56,038	-150,000	0	(24.00) 2,724,202
Less:					
(Pos. Count)	(3.00)				(3.00)
Special Funds	405,730	8,666	0	0	414,396
(Pos. Count)	(0.00)				(0.00)
Federal Funds	0	0	0	0	0
(Pos. Count)	(21.00)				(21.00)
General Funds	2,412,434	47,372	-150,000	0	2,309,806

**A. Explanation Of All Transfers Within The Program I.D. And Its Impact On The Program**

The Commission will meet with BOR and State Civil Defense to discuss potential funding opportunities involving BOR and FEMA. Grant funding from the Watershed Partnership Program, and other available sources will be explored.

**B. Explanation Of All Transfers Between Program I.D. And The Impact To The Program**

The 2007 Legislature appropriated \$400,000 to the Commission to undertake regional stream studies in support of establishing IFS. \$150,000 of the \$400,000 has been transferred to DAR for various complementary stream studies including, but not limited to, standardized point-quadrat aquatics surveys and rapid bioassessment surveys in under-sampled watersheds.

**C. Restrictions And Their Impact On The Program**

None.

**V. Supplemental Budget Requests for FY 2008-2009**

	<u>Appropriation Act 213/2007 FY 2008-2009</u>	<u>Budget Adjustment FY 2008-2009</u>	<u>Supplemental Requests FY 2008-2009</u>
(Pos. Count)	(24.00)	(0.00)	(24.00)
Personal Services	1,601,152	0	1,601,152
Current Expenses	1,206,048	0	1,206,048
Equipment	11,200	0	11,200
Motor Vehicles	0	0	0
	(24.00)	(0.00)	(24.00)
Total Requirements	2,818,400	0	2,818,400
Less:			
(Pos. Count)	(3.00)	(0.00)	(3.00)
Special Funds	405,730	0	405,730
(Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	0	0	0
(Pos. Count)	(21.00)	(0.00)	(21.00)
General Funds	2,412,670	0	2,412,670

**A. Workload Or Program Request**

None.

**B. For All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant**

None.

**VI. Identify Restrictions Carried Over From FY 2006-2007 As Well As Additional Reductions Due To The Department Of Budget and Finance's (B&F) Budget Ceiling For FY 2007-2008**

None.

**VII. Capital Improvement Projects (CIP) Requests for FY 2008-2009**

None.

**VIII. Proposed Lapses of Capital Improvement Program Projects**

None.

SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009

January 18, 2008

Program Structure: 04 02 05  
Program I.D. and Title: LNR 405 - Conservation and Resources Enforcement

**I. Introduction**

**A. Summary of Program Objectives**

The Division of Conservation and Resources Enforcement has primary responsibility for resource enforcement in the State. Our overall mission is to promote the safe and responsible use of Hawaii's natural resources.

**B. Description of Program Objectives**

The program objectives are:

1. In partnership with others, to help lead the citizens of Hawaii in developing and maintaining a tradition of ethical use, stewardship and sustainability of our land and natural resources.
2. To educate and inform citizens and visitors alike of the responsible use of Hawaii's natural resources and the application of natural resource laws, including Hunter Education.
3. In partnership with others, to educate the public in the safe and responsible use of firearms, boats and personal watercraft.
4. To ensure the right of all persons to safely use, share and enjoy Hawaii's natural resources through firm, fair and effective law enforcement.

**C. Explain how the Program intends to meet its objectives in the upcoming supplemental year.**

DOCARE intends to meet its objectives through the efforts of our officers, as they enforce the laws and rules related to natural resources protection and outdoor recreation. The division will guide this effort by providing the officers with the training, direction and support necessary to accomplish these objectives.

## II. Program Performance Results

- A. Discuss the performance results achieved by the Program in FY 2007.

The performance results during the past two years have met the revised measurements of effectiveness established in FY 2006. Fluctuations are attributed to the an increase/decrease in calls for service and enforcement actions in the areas of aquatic resources, forestry and wildlife, state parks, public lands/conservation districts, boating and ocean recreation enforcement, emergency and/or disaster assistance and special projects. In addition, an increase in the number of reported incidents due, in part, to the newly activated DLNR hotline and continued efforts by specialized units, multi-agency operations and increased patrols of high usage areas have had a direct influence on program activities.

- B. Explain how these results relate to the Program's Objectives and Department's mission.

The goal of the Department is to promote a life-sustaining Hawaii through the protection of our fragile environment, its natural resource base, and the function and viability of natural systems on which all life depends. Hawaii must protect its ecosystem and manage its natural resources wisely so that a strong foundation is maintained for future prosperity.

Our program objectives support the Department's mission, as they are a gauge in measuring enforcement presence and visibility, resource protection through enforcement actions and preventive action measures through education programs and community outreach.

- C. Explain how the effectiveness of the Program is measured (i.e.: outcome, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.

Program effectiveness is primarily measured by the number of complaints, investigations and enforcement actions (citations, arrests, warnings) in relation to the amount of time spent on patrol of the areas where these violations occur. Other measures of program effectiveness include the number of conservation education presentations, the number of hunter education students certified, and the number of marijuana plants eradicated from state lands.



D. Discuss actions taken by the Program to improve its performance results.

Actions taken to increase efficiency and effectiveness of the program are:

1. Completed all necessary requests for approval to recruit and fill ten newly established Conservation and Resources Enforcement Officer and five clerical positions to be deployed statewide. Active recruitment of these positions is underway.
2. Our Data Processing Analysis IV continues to work on strategic planning with the assistance of a consultant to modernize our field data collection capabilities, preparation of various tracking reports and processing, and easy retrieval and storage of necessary documents and reports.
3. Our Telecom Planner continues to assist with the maintenance and upgrades of our existing conventional land mobile communication system. In addition our Telecom Planner has been overseeing a statewide multiple DLNR division land mobile communications strategic planning effort. The focus of this planning effort is to improve coverage statewide while meeting all federal and state standards.
4. DOCARE along with DOFAW is in the process of preparing a land mobile communications supplemental budget request that will direct necessary funds to fix chronic shortfalls in our current system. This effort will also prepare recommendations on how best to ensure interoperability with our county, state and federal partners.
5. Began a statewide DOCARE strategic planning effort with assistance from a strategic planning consultant. This planning process will include input from DOCARE employees as well as representatives from DLNR's many other divisions.
6. Continued involvement and partnerships with community groups and public events to help foster closer working relationships between the Department, Division and the public.
7. Continued participation in the ongoing statewide planning with ICSD, State Civil Defense (SCD) and our county, state and federal partners to update and improve our statewide communication system for DLNR. At the present time there are several areas throughout the State that lack in connectivity and direct communication between remote field and office staff. This lack of vital communications jeopardizes officer and public safety.

8. Continued with implementation of computer consultant's recommendations including upgrading of existing electronic data processing equipment statewide as well as purchasing of new computer hardware and related software to build up statewide infrastructure and connectivity.
  9. Completed statewide training of officers with regard to newly enacted or amended natural resources related statutes and rules, included statewide recall training on the principles of justification for the use of force in law enforcement, self-defense and use of non-deadly force.
  10. Began the process of identifying and selecting both hardware and software to be used to electronically collect field data and information that could be recorded, processed, incorporated into summary reports and stored electronically.
- E. Please identify all modifications to your program's performance measures and discuss the rationale for these modifications.

There have been no new modifications to our program's performance measures.

### **III. Problems and Issues**

#### **A. Discussion of Problems and Issues Encountered**

There is an ongoing perception of some of Hawaii's resource users that Hawaii's unique natural resources are unlimited and can withstand unregulated pressure. This demonstrates the need for more enforcement in order to ensure compliance and resource protection.

Customary practices brought to Hawaii by newcomers sometimes conflict with local laws and management efforts, creating a greater need for enforcement and education.

Significant population increases and the creation and/or expansion of resource areas (i.e. parks, forests, hunting, hiking trails, restricted areas, fishing and recreational boating) designated for public use increase the need for conservation enforcement and education. DLNR's conservation and resources enforcement program's budget and manpower levels have not kept pace with our ever increasing population, expansion of program, and greater then ever areas of responsibility.

Increased utilization of land and water resources under the management of the Division of Water Resource Management and Land Division require greater involvement by DOCARE in monitoring compliance with Department regulations.

Environmental consciousness of our State's unique natural resources continues to rise, resulting in an increased demand on DOCARE to protect and preserve natural areas, historic sites, refuges, unencumbered state lands and sanctuaries. User conflicts caused by competing interests have resulted in increased demand for more conservation enforcement intervention.

Native Hawaiian rights and related issues play an increasing role in DLNR's effort to manage natural resource usage. More attention must be given to community input and recommendations in order to foster voluntary compliance.

Current DOCARE staffing levels make it impossible to provide for adequate resources protection coverage on a 24-hour basis. Occasionally, complaints wait 24 hours or longer before an officer can respond to investigate the case. Limited funding for regular and holiday overtime also diminishes our ability to respond to resource violations at the time when our officers are needed the most.

Lack of an adequate staffing level has limited our ability to respond to alcohol, drug and violent behavior activities in all our major areas of responsibilities.

DLNR lacks a viable comprehensive statewide informational and educational program. More public education from all sectors is needed to promote public awareness and voluntary compliance with sustainable resource use restrictions.

The issues and problems affecting the program require pro-active measures. With limited manpower and funding, DOCARE is primarily responding in a reactive manner. This makes it difficult to protect Hawaii's unique natural resources and meet community expectations.

B. Program Change Recommendations to Remedy Problems

1. Organization – initiate integrated planning and restructuring to make efficient and effective use of all enforcement personnel and staff. DOCARE will collect and compile monthly data and written reports in order to examine the time and resources spent on the various functions of the Division. By doing this, DOCARE will be able to best utilize its limited resources both from a staffing and financial viewpoint.
2. Innovation – obtain the necessary equipment to provide immediate access to information that will aid management and enforcement personnel in their duties. DOCARE is working to develop a statewide networking system that will allow the various branches to communicate via personal computer.

3. Funding – budgetary resources must be sufficient to satisfy current operational needs and to ensure responsiveness to emerging issues and opportunities. This includes the need for funding for more manpower, after hours and holiday response efforts.
  4. Coordination – maintain, enhance and optimize our working relationships with other local, state and federal agencies to address shared enforcement concerns and responsibilities.
  5. Penalties – increase the use of civil penalties through a Department of Land and Natural Resources administrative hearing process thereby reducing the need to process minor offenses through the criminal justice system.
  6. Education – continue to work with various DLNR Divisions, PIO, community groups, resource users and interested individuals in order to ensure voluntary compliance with departmental conditions and restrictions.
  7. Establish and maintain a dedicated DLNR information and education program.
- C. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

None

**IV. Projected Expenditures for Fiscal Year 2007-2008**

	<u>Appropriation Act 213/2007 FY 2007-08</u>	<u>Collective Bargaining</u>	<u>Transfer In Transfer (Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditures</u>
(Pos. Count)	(152.00)				(152.00)
Personal Services	7,404,134	261,428	0	0	7,665,562
Current Expenses	1,814,470	0	0	0	1,814,470
Equipment	802,675	0	0	0	802,675
Motor Vehicles	579,435	0	0	0	579,435
<hr/>					
(Pos. Count)	(152.00)				(152.00)
Total Requirements	10,600,714	261,428	0	0	10,862,142
Less:					
(Pos. Count)	(23.00)				(23.00)
Special Funds	1,630,890	37,698	0	0	1,668,588
(Pos. Count)	(2.75)				(2.75)
Federal Funds	662,088	4,600	0	0	666,688
(Pos. Count)	(125.25)				(125.25)
General Funds	8,243,905	207,885	0	0	8,451,790
(Pos. Count)	(1.00)				(1.00)
Revolving Funds	63,831	11,245	0	0	75,076

A. Explain all transfers within the Program I.D. and its impact on the program.

None

B. Explain all transfers between program I.D.'s and its impact on the program.

None

C. Explain any restrictions and the impacts on the program.

None

**V. Supplemental Budget Request FY 2008-2009**

	<u>Appropriation Act 213/2007 FY 2008-09</u>	<u>Budget Adjustment FY 2008-2009</u>	<u>Supplemental Request FY 2008-2009</u>
(Pos. Count)	(162.00)	(10.00)	(172.00)
Personal Services	7,882,422	311,409	8,193,831
Current Expenses	1,739,220	220,000	1,959,220
Equipment	475,675	-	475,675
Motor Vehicles	579,435	330,000	909,435
<hr/>			
(Pos. Count)	(162.00)	(10.00)	(172.00)
Total Requirements	10,676,752	861,409	11,538,161
Less:			
(Pos. Count)	(23.00)	5.00	(18.00)
Special Funds	1,630,890	(264,323)	1,366,567
(Pos. Count)	(2.75)	0.00	(2.75)
Federal Funds	662,088	0	662,088
(Pos. Count)	(135.25)	(15.00)	(160.25)
General Funds	8,319,943	1,125,732	9,445,675
(Pos. Count)	(1.00)	0.00	(0.00)
Revolving Funds	63,831	0	63,831
	10,676,752	861,409	11,538,161

Provide the total counts and funds requested.

A. Workload or program request:

1. Description of the Request

The Division is requesting the addition of 11 CREO and 4 Clerk Typist II positions in FY 09 for deployment statewide. In addition, the Division is requesting the funds necessary to meet operational needs, as well as the equipment, vehicles and other miscellaneous costs necessary to outfit and put these new positions into service.

Hawaii's ever increasing resident and visitor populations have a direct and often negative impact on our natural and cultural resources. User conflicts are increasing, as more people are competing to access or use our unique resources. Experience has demonstrated that natural resource violations occur statewide 24 hours a day, 7 days a week.

The eleven positions, to be distributed statewide, will make it possible to meet daily enforcement demands by adding necessary staff to the field where they are needed most. Without adequate staffing and funding, violations will go undetected, violators will go unpunished and overall compliance will decline.

The requested clerical positions to be distributed statewide are crucial to the day-to-day operation of the Division. Clerical positions are needed to process and record various documents, handle calls and complaints from the public, assign complaints to the officers in the field via phone or radio, and ensure that all reporting requirements are completed in a timely manner. At the current time experienced field officers are assigned to the office in order to supplement the shortage of clerical staff.

The establishment of these positions will be a significant, proactive step that will help to protect and conserve our fragile natural resources before damage can occur.

Startup funds are needed to outfit the new CREO hires. Examples of items to be purchased with these funds: uniforms, body armor, firearms, duty belt and accessories, portable/mobile communications, training materials, vehicles and other essential safety gear.

2. Listing/Description of Positions

New Division of Conservation and Resources Enforcement (DOCARE) positions – Eleven (11) Conservation and Resources Enforcement Officer (CREO) III and 4 Clerk Typist II.

New officer startup costs @ \$50,000 per officer.

MOF: A                      Total: \$1,125,732

B. Position Count Reductions

Description of the Request

The division is requesting the transfer of two (2) CREO positions and three (3) account clerk positions from DOCARE to the Division of Boating and Ocean Recreation (DOBOR). This request transfers Homeland Security functions for cruise ship activities to DOBOR.

The two CREO supervisor positions have already been re-described and will be responsible for managing contract harbor security activities associated with cruise ship arrivals/departures at DLNR owned and managed small boat harbors.

The account clerk positions have been reassigned to work directly for DOBOR and will be responsible for recording and tracking all fees, expenditures, account receivables, employee costs and other expenses related to cruise ship activities.

MOF: B                      Total: (\$264,323)

**VI. Program Restrictions**

Identify Restrictions Carried Over from FY08 as well as Additional Reductions due to the Department of Budget and Finances Budget Ceilings for FY09.

None

**VII. Capital Improvement Program (CIP) Requests for FY09: CIP data for all projects within the agency being heard shall be combined into a single appendix in the department's testimony.**

See Appendix A



**VIII. Proposed Lapses of CIP Projects:**

None

SENATE COMMITTEE ON WAYS AND MEANS  
DEPARTMENT-WIDE BUDGET SUMMARY INFORMATION

CIP REQUESTS FOR SUPPLEMENTAL YEAR 2008-2009

1. DOCARE Office, Honokohau Harbor, Hawaii

<u>Prog ID</u>	<u>Project Title</u>	<u>FY2009 (in thousands)</u>	
LNR 405	DOCARE Office Honokohau Harbor, Hawaii	Plans	10
		Design	30
		Constr	60
		TOTAL	100

Project No.

Scope of Work: Plan, design and construction of office and facility improvements including: cesspool closure, new septic system and leach field; demolition of existing Harbor Master Office; new office facility; replacement of perimeter fencing and secured gate, and related improvements.

Justification: The existing facility is owned by the State of Hawaii and provides a cost effective means to implement public safety and environmental protection responsibilities. The existing office structure is unsafe and deteriorated from termite damage, office space is limited, the existing fencing has deteriorated from age, and the sewer system is not in compliance with current standards.

Senate District 03 House District 006

2. DOCARE Office and Baseyard, Oahu

<u>Prog ID</u>	<u>Project Title</u>	<u>FY2009 (in thousands)</u>	
LNR 405	DOCARE Office and Baseyard, Oahu	Plans	10
		Design	50
		Constr	440
		TOTAL	500

Project No.

Scope of Work: Plan, design and construction of improvements to the DOCARE office and baseyard facility in Pearl City, Oahu, including; roofing replacement and improvements including rain barriers; accessibility improvements including pathway, ramps and entry improvements, replacement of exterior siding, construction of covered parking for patrol vehicles, storage security improvements and related improvements.

Justification: The existing wooden structures have incurred significant water damage from the lack of appropriate weather protection measures, and connecting ramp and pathways are not compliant with current accessibility requirements and regulations. Also, there is no adequate protection for patrol vehicles from exterior elements.

Senate District 16 House District 036

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 04 02 07

Program I.D. and Title: LNR 407 Natural Area Reserves and Watershed Management

1. Introduction

a. Summary of program objectives

To protect, restore, and enhance Hawaii's forested watersheds, native ecosystems, natural areas, unique native plant and animal species, cultural and geological features for their inherent value, their value as watersheds, their value to science, education, and the economy, and for the enrichment of present and future generations.

b. Description of program objectives

- i. Control non-native species within the Natural Area Reserve System (NARS) and watershed partnership areas
- ii. Protect NARS and watersheds from feral ungulates
- iii. Monitor threats in NARS and watersheds
- iv. Administer Natural Area Partnership Program (NAPP) contracts
- v. Support watershed partnerships throughout the state with funding and technical expertise
- vi. Protect and enhance threatened and endangered species and native habitats with active management programs.
- vii. Administer the Youth Conservation Corp students and interns program for the benefit of the environment and the youth of Hawaii.
- viii. Implement outreach and volunteer programs to engage the general public in resource management projects.
- ix. Support research and environmental education by issuing permits and providing access and interpretation.

c. Explanation of how the program intends to meet its objectives within the upcoming supplemental fiscal year.

Major management activities on both public and private land involve control of alien species, including ungulates, weeds, and small predators, rare plant outplanting, monitoring, public outreach, and maintenance of existing infrastructure, such as trails and signs. Protecting natural areas, watersheds and ensuring the future of rare native ecosystems and species requires sustained management actions.

Within the upcoming supplemental fiscal year, the Program intends to meet its objectives by building upon the momentum gained as a result of increased consistent dedicated state funding and staff supplied by the Legacy Lands Act through the Natural Area Reserve Fund (NARF). However, reduction of federal funding, threats from invasive species, diseases, and increased public use provide challenges in managing the natural areas, watersheds, and native and endangered species. Increasing the NARF support by two million dollars in the Supplemental Budget is needed to increase program accomplishments in protecting and maintaining forested watersheds, water production capacity, native species and habitats, youth nature environmental education, and ecosystem services for the future.

Natural area and watershed partnership and community-based management programs will continue to be effective tools for leveraging funds and securing stakeholder participation and commitment. The Program will reap benefits of past accomplishments in establishing and implementing these partnerships. Partnership steering committees, community advisory councils, and facilitated working groups will continue to help management partners address local concerns in the coming biennium.

Increased collaboration and integration of the many different programs such as Watershed Partnerships, Legacy Land Conservation acquisitions, threatened and endangered species programs operations will increase the effectiveness and benefits of these programs and further the objective of protecting Hawaii's natural resources.

## 2. Program Performance Results

### a. Discussion of the program performance results achieved in fiscal year FY07

#### i. **Natural Area Reserves Management**

During Fiscal Year (FY) 07, NARS staff conducted ground and aerial surveys for ungulates (including sheep, mouflon, deer, goats, and pigs). Fencing continues to be an important tool to facilitate the reduction in animal populations. Over 145 miles of existing fences were inspected and maintained, and four miles of new fencing was under construction. Public hunting, staff control, trapping, and snaring (in remote/fenced areas) were used to reduce non-native ungulate populations; the type of control measure implemented depends on the resources available, the reserve location, terrain features, and the relative abundances of ungulates. NARS staff continues to work with hunting organizations such as the Molokai Hunting Working Group, the Pig Hunters of Hawaii, and others to accomplish control goals while minimizing conflict with the recreational hunting community.

Invasive weed control is ongoing in nearly every reserve, and priority weeds have been identified for each reserve (and sometimes for units within reserves). Volunteers provide significant manual labor to assist in weed control efforts. NARS staff also communicates with the respective island Invasive Species Committee (ISC) to prevent duplication and coordinate efforts where possible. Monitoring of rare plant populations, collection of seeds and propagules, and outplanting of rare plants are ongoing efforts to protect and enhance the rare plants found within NARS.

Additional information about the accomplishments of the State's rare plant program in FY 07 follows the island descriptions below.

Maintenance of infrastructure is also an ongoing activity. Staff maintained 582 signs throughout NARS. Information and boundary signs were installed or replaced in several reserves. Approximately 125 miles of existing trails and boardwalks were maintained in various reserves, primarily for management purposes. Trail maintenance includes alien plant control along the trails to limit the spread of weeds to new areas. Over 145 miles of existing ungulate control fence were maintained with regularly scheduled inspections, and immediate repairs were made to prevent ungulate ingress and subsequent damage to the resource. Existing helipads were maintained to facilitate management and monitoring and to provide access for emergencies. 16 management shelters were maintained for long-term management actions. Over 70 miles of roads, mostly on Hawaii and Oahu, were maintained to provide hunter and management access. Road barriers continue to be maintained in the Manuka Reserve on Hawaii to prevent dumping and illegal logging activities. Vehicle barriers continue to be maintained on both sides of Kaena Point (Oahu) to protect the fragile dune ecosystem and cultural sites by prohibiting off-road vehicle use. Similarly, vehicle barriers continue to be maintained at Ahihi-Kinau to protect geological and cultural features from off-road damage.

Staff training for needed skills remains important, particularly with the new hires. Training during FY07 included first aid, CPR, fire response, ATV operation, helicopter safety/crew member training, ACETA training, firearms certification, herbicide use, ungulate control methods, procurement (small purchase, HEPS, IFB, and RFPs), ArcGIS; leadership skills, and mediation. In addition, NARS staff attended the Hawaii Conservation Conference (July 2007), an annual three-day conference attended by nearly 1,000 resource management professionals in the State. Finally, NARS staff on Maui and Hawaii continued the successful "exchange program" with the natural resource managers of EMWP to share field methods and develop skills. Two week-long exchanges took place, with EMWP and Maui NARS crews going to Hawaii to assist Hawaii NARS staff with invasive species control, and later with Hawaii NARS staff going to Maui to assist in fence building.

NARS staff completed revisions to the administrative rules (Chapter 13-209) relating to activities within NAR during FY07. Over the past years, there have been occasions where shortcomings in the existing administrative rules resulted in a failure to efficiently or effectively respond to threats to NAR. One example, which received a fair amount of publicity, was the difficulty regulating public use at Ahihi-Kinau and preventing illegal activity such as poaching and squatting in lava caves. In addition, there was a need to formalize many of the policies regarding special use permit applications into the rules. The proposed rule amendments were signed by the Governor on January 13, 2007 and took effect January 23, 2007.

NARS Admin staff processed over 50 special use permit requests and coordinated permit processing with other DOFAW staff (wildlife, botanist) to ensure that

applicants applied for all necessary permits. NARS Admin staff conducted outreach presentations to multiple audiences and coordinated field visits for numerous groups, including visiting dignitaries, visiting (mainland) staff from cooperating agencies (e.g., U.S. Forest Service, USFWS), the Pacific Century Fellows, and the UH Law School. NARS Admin staff responded to over 45 requests for information from the public (as forwarded by the DLNR Public Information Officer). NARS Admin staff continued participation on the national Natural Area Association, acted as the DOFAW representative and chaired the Hawaii Conservation Alliance, Wekiu Bug Working Group, acted as the DOFAW representative on the Forest Stewardship Advisory Committee, continued participation in organizing the Hawaii Conservation Conference, participated as the DLNR representative on the Bioprospecting Commission (monthly meetings), and provided assistance to other DOFAW programs on an ongoing basis.

Finally, NARS staff continue to leverage resources and increase effectiveness by working with a variety of watershed partnerships and other conservation partners including: the Hawaii Conservation Alliance, Kauai Watershed Alliance, East Maui Watershed Partnership, West Maui Mountains Watershed Partnership, Leeward Haleakala Watershed Restoration Partnership, East Molokai Watershed Partnership, Three Mountain Alliance, Kohala Watershed Partnership, the Plant Extinction Prevention Program, the Maui Forest Bird project, the Kauai Invasive Species Committee, the Oahu Invasive Species Committee, the Maui Invasive Species Committee, Big Island Invasive Species Committee, the Office of Mauna Kea Management, the Forest Service (Hawaii Experimental Tropical Forest), the Sierra Club, the Nature Conservancy, the Wildlife Society, the Hawaii Wildlife Fund, and more.

For additional information about the NARS management and major accomplishments within individual reserves during the past year, please see the annual comprehensive status report on the Natural Area Reserves System, and the Natural Area Partnership Program (NAPP) and the financial condition of the Natural Area Reserve Fund (NARF) located on the Department website at <http://www.hawaii.gov/dlnr/Reports.html>.

## **ii. Watershed Partnership Support**

The first Watershed Partnership was formed in 1991 on East Maui when public and private landowners realized the benefits of working together to ensure the conservation of a shared watershed that provided billions of gallons of fresh water to the area. Today, Watershed Partnerships continue to be innovative and effective alliances of public and private landowners committed to the common value of protecting forested watersheds for water recharge and other ecosystem services through collaborative management. The benefits of collaborative management practiced under Watershed Partnerships are many: 1) management actions address large landscapes and threats affecting core watershed areas and habitats and species across multiple landownership boundaries; 2) leverage limited dollars for maximum benefits and allow the pooling of resources as well as expertise to reduce redundancy

in efforts (partnerships effectively leverage state dollars with federal, county, and private funds/match, often 1:1); 3) provide capacity building for landowners, particularly private, to engage in watershed protection; and 4) actions conserve other ecosystem services such as native habitats/species, recreation, culture, education, and jobs.

There are nine Watershed Partnerships in the State (Maui-3, Moloka'i-1, Kaua'i-1, Hawai'i-2, O'ahu-1, and Lāna'i-1) involving over 45 private landowners and 24 public agencies (including several NARs and NAPPs) that cover close to one million acres (a quarter of the State's land base). All Watershed Partnerships have management plans, which guide management actions and provide clear objectives and goals for future outcomes and achievements. Most management actions are habitat based and revolve around combating the main threats facing watersheds - feral ungulates (hooved animals) and invasive species. Examples include ungulate removal and fencing, invasive species control, forest health monitoring, outplanting and restoration, rare species management, and education and outreach. The Division of Forestry and Wildlife (DOFAW) provides technical and financial resources to support the Watershed Partnerships through its Watershed Partnerships Program, which is funded by the Natural Area Reserve Fund and managed under the NARS program.

The 2006 increase in conveyance tax funds and approval by the legislature to increase the budget ceiling to \$8 million allowed for a four-fold increase for funding to the Watershed Partnerships. \$2.6 million was awarded in FY07 to support major on-the-ground watershed management activities under the Watershed Partnerships on five islands covering over 150,000 acres. Match generated by the awarded state funds of totaled \$2.7 million or slightly better than a 1:1 match. These grants are still active and will not be concluded until May 31, 2008. Therefore funding reports below indicate interim status of expenditures and work progress. In addition to the \$2.6 million in grants, \$700,000 was allocated for additional temporary positions to assist with coordination and watershed management on forest reserve and partnership lands. In FY08, a total of \$3.3 is budgeted to support expansion of watershed management initiatives under the Watershed Partnerships Program as well as fund new initiatives to enhance broader watershed management activities across the islands of Kaua'i, O'ahu, Maui, Moloka'i, and Hawai'i.

For more information on the Watershed Partnerships see <http://www.hawp.org>

### **iii. Natural Area Partnership Program**

This innovative Program provides State-matching funds on a 2:1 basis with private funds for management of natural resources on 7 Natural Area Partnerships totaling 30,000 acres. FY 07 Program accomplishments include the creation of a new partnership preserve in Kau. For more information on the NAPP, see [www.state.hi.us/dlnr/dofaw/napp/index.html](http://www.state.hi.us/dlnr/dofaw/napp/index.html).



#### **iv. Rare Plant Species Restoration and Protection FY 07**

The focus of the Rare Plant Program for FY07 continued to be support of habitat protection and enhancement, benefiting our native flora and fauna by utilizing Federal Section 6 grants, a World Conservation Union (IUCN) grant, a Landowner Incentive Program (LIP) grant, and moneys from NARF and staff time for match. The mid-elevation rare plant nurseries on Hawaii, Kauai, Oahu, and Maui and Lyon Arboretum's micropropagation facility continue to be the heart of private and public restoration programs across the State. More than 10,000 plants are also currently maintained as *in vitro* germplasm storage at the State's micropropagation facility.

The Plant Extinction Prevention (PEP) Program, developed to prevent the disappearance of Hawaii's rarest plant species, with staff on each of the major islands has quickly become an important plant conservation partnership. The PEP program addresses the estimated 182 species that are in danger of extinction within five years (plants with fewer than 50 individuals left in the wild). In FY07, PEP staff has been added to the island of Hawaii, joining staff on Oahu and Maui Nui, and a Statewide Program Coordinator was hired. Funding is in hand to hire PEP staff on Kauai during FY08. Over the past year, the PEP Program has monitored rare species for plant health/fruit production, collected seeds/cuttings/ air layers, cross pollinated between isolated populations, contained insect outbreaks, established small ungulate exclosures, controlled rats and slugs, eliminated alien weeds, and/or outplanted additional individual plants for numerous plant species.

For additional information about the Rare Plant Species Restoration and Protection Program, please see the annual comprehensive status report on the Natural Area Reserves System, and the Natural Area Partnership Program (NAPP) and the financial condition of the Natural Area Reserve Fund (NARF) at <http://www.hawaii.gov/dlnr/Reports.html>.

#### **v. Public Outreach, Youth Activities and Community Involvement**

In 2007, the Youth Conservation Corps members contributed approximately 30,000 volunteer hours working on projects such as endangered species restoration; trail maintenance, out-planting, species monitoring, and invasive plant removal. The 2007 Program consisted of seven teams on five islands including Oahu, Kauai, Maui, Molokai and Hawaii. A total of 72 youth participated. The Program lasted 6 and 1/2 weeks plus one week of training, including a team trip to Kahoolawe for each team. For more information on YCC, see <http://www.hawaiiycc.com>. Other partners supporting the program include Kamehameha Schools, University of Hawaii-Pacific Cooperative Studies Unit, the Hawaii Department of Health, Clean Water Branch and the U.S. Environmental Protection Agency, among others.

The year-round component to YCC is operated as an Americorps program. The Program allows young adults to gain entry-level experience working alongside managers in the field. The Program was intended to serve as an extension of the summer YCC Program and provide more in-depth training for youth interested in pursuing a career working in the natural resources conservation field. In 2007,

DOFAW enrolled a total of ten full-time members (1700 hrs each) and three part-time members (900 hrs each) committing to work for a year. In addition, 12 minimum-time members served as team leaders for the summer program.

YCC is one part of DOFAW's Public Outreach, Youth Activities, and Community Involvement Program, a statewide effort to improve awareness and understanding of Hawaii's forests, wildlife, and watersheds and threats to these resources such as invasive species and fire. Components of this effort have included printed materials such as books and posters as well as multi-media exhibits and hands-on education and outreach programs. During FY 07, DOFAW worked in partnership with the Department of Education (DOE) to produce a teacher's manual for natural resources education that meets current standards and addresses topics of importance in today's Hawaii. DOFAW contracted DOE to produce the resource utilizing existing materials that were updated and aligned to current standards as needed by current and retired DOE teachers. The resource is currently undergoing editing and formatting prior to finalization. This effort is supported in part by a grant from the USDA Forest Service and NARS staff supervision. More information about the YCC and outreach program is available at <http://www.hawaii.gov/dlnr/Reports.html>.

**vi. NARS Commission**

The NARS Commission was established by statute as an advisory body to the Department of Land and Natural Resources (DLNR) under §195-6, HRS. The Commission held six meetings over the past year. Topics ranged from commercial use and other concerns at Ahihi-Kinaiu Natural Area Reserve (NAR) on Maui; special use permit request from the United States (US) Army to conduct work in the three Oahu NAR (Kaala, Kaena, Pahole) as off-site mitigation for continued army training in Makua; approval of Waikamoi (Maui), Moomomi (Molokai), and Pelekunu (Molokai) Long Range Management Plans as part of renewal process for continued enrollment in the NAPP; approval of the Kau (Hawaii) Long Range Management Plan as part of the process for enrollment in NAPP; and proposed administrative rule changes.

- b.** Explain how these performance results relate to program's objectives and department's mission.

The Department's mission is to, "Seek, develop and implement cost-effective strategies for the long-term sustainable management, maintenance, protection and utilization of existing and potential ocean, land, natural and cultural resources of the State of Hawaii in an integrated manner and in partnership with others from the public and private sectors." The Program goals and objectives implement the Department's mission with regard to natural areas, watershed management, native ecosystems, unique native plant and animal species, and geological features on public and private lands. Development and prioritization of projects and actions for the Program are conducted within the framework of the Department and Division's goals and objectives. Each project upon which performance measures are based is linked directly to one or more goals and objectives.

- c. Explanation of how the effectiveness of the program is measured (i.e.: outcomes, measures of effectiveness, benchmarks, etc.) and discussion of the performance results achieved during the past two years.

Program effectiveness is measured by:

1. Number of acres in natural areas and watersheds actively controlled for non-native plants as % of plan.
2. Number of acres in natural areas and watershed partnerships actively protected from feral ungulates as % of plan.
3. Number of acres inspected and monitored for weeds and ungulates as % of plan.
4. Number of acres protected by Natural Area Partnership Program contracts as % of plan
5. Number of acres enrolled in watershed partnership agreements as % of plan.
6. Percent of T&E species being managed as compared to total listed.
7. Number of YCC members and interns as % of plan.
8. Man-hours volunteered in resource management projects as % of plan.
9. Number of research/educational permits issued by NARS Commission/Staff as % of plan.

Project success is measured through evaluation of the completion of the stated goals and objectives.

- d. Discussion of actions taken by each program to improve its performance results.

Partnerships, such as the natural area partnerships program and watershed partnerships, have become increasingly important for implementation of landscape and ecosystem-level conservation restoration projects. Ecosystem issues are complex and cut across political, legal, and geographic boundaries. Often, no one agency or organization is equipped to handle the issue in its entirety, thus making cooperative partnerships a vital necessity. Action taken to support cooperative conservation include: 1) Increased funding and personnel for watershed partnership and the NAPPs; 2) Increased funding and personnel for NARS, YCC and Endangered Species Program - 24 new state positions for the NARS and watershed management; 3) Development of cooperative management agreement with USFS for the Hawaii Experimental Tropical Forest and a habitat conservation plan with DOT for red Ilima on Oahu; 4) Expansion of the NAPP in the Kau area to encourage protection of native ecosystems in south Hawaii; and 5) Expansion of the acreage covered by watershed partnership agreements.

Educational and volunteer utilization programs were expanded and provided a significant increase in the work force for conservation management. The Youth Conservation Corp enrolled 72 summer students and 11 fulltime interns over the past 2 years. Additional expansion is planned in 2009 for 25 full-time and 50 part-time interns.

Other changes made to increase efficiency and effectiveness during the past year include: 1) Training programs for staff and volunteers to help manage natural areas; 2) Greater utilization of the websites to communicate and disseminate information to the public; 3)

Developing cooperative programs with the tourism industry to maintain high use visitor areas such as the ranger program at Ahihi-Kinaiu NAR on Maui; 4) Developing and administering a land acquisition program; 5) Continuing participation in alliances, community meetings and outreach efforts to promote natural area and watershed ecosystem awareness; 6) Creating new management plans and updating administrative rules or legislative statutes relating to natural area and watershed management; and 7) Completing efforts to designate worthy new areas as NARs.

- e. Identification of all modifications to the program's performance measures and discussion of the rationale for modifications

Program staff are in the process of conducting a complete review of the strategic planning framework of the LNR 407 program. Following the Department's and Division's vision and mission, the NARS program is refining the Program's objectives to more clearly reflect the core purpose of the Natural Area Reserves program, the Department's mandates, the relationship with other conservation programs, and the challenges that arise as the program expands and gains success. The increase of activities and measures of effectiveness is partially a result of the LNR 407 Program being assigned responsibilities for the watershed partnerships and YCC programs via Legislative action.

### 3. Problems and Issues

- a. Discuss any problems and issues encountered by the program

Protecting natural areas, watersheds and ensuring the future of rare native ecosystems and species requires sustained management actions over time to prevent degradation by pervasive threats such as feral animals and invasive weeds. Feral animals damage native vegetation, contribute to erosion and damage watershed capacity. At the landscape level, control of feral animals is possible using a combination of public hunting, exclusion by fences, staff control and aerial shooting. Building and maintaining fences, although effective, is expensive and must be combined with other animal control activities. For remote areas and areas with steep terrain, aerial shooting is often the only effective method of controlling feral animal numbers. However, implementing aerial control missions remains a challenge due to safety concerns, cost, and access issues. Invasive weeds modify habitat and require constant effort and vigilance to effectively contain them. With the dedicated funding provided by NARF, it is anticipated that much of the management action in NARS and watersheds will focus on invasive weeds and feral animal control to protect intact habitat and stabilize degraded habitats. Future efforts will focus on protection of additional acres of native habitat and additional species requiring a moderate increase in funding support.

Natural resource protection and management are long-term efforts requiring time and energy commitments not often found in other projects. Restoration projects often take years before results are discernable. Several of the projects funded this year could take years to achieve the desired objectives. It is important to note that management and protection of natural areas, watersheds and native ecosystems need to continue for the long term.

Although the primary mission of NARS is resource protection, the reserves provide recreational opportunities for residents and tourists in pursuits such as hiking, photography, kayaking, diving, nature viewing and hunting. Providing and maintaining roads, trails, boardwalks, shelters, interpretative signage and brochures enhance public awareness, access and enjoyment of NARS and watersheds. However it is a challenge for staff to manage public use while protecting the resources. The Hawaii Tourism Authority acknowledged this by granting Ahihi-Kinau NAR funds to mitigate resource and human conflicts, particularly overuse by tourists.

b. Program change recommendations to remedy problems

The department is requesting an increase of two million dollars in special funds allocation to enable increased management actions throughout the sub-programs and field projects. The Legislature advised program staff when the Legacy Land Act was passed to take a couple of years to develop strategic plans and capacity (both personnel and infrastructure) before requesting additional funding. The Program has increased its capacity to manage native species and their habitats and meet the goal of protecting these irreplaceable resources at a higher and warranted level. The additional funds will be divided amongst the Natural Area Reserve Program, Watershed Partnership projects, Natural Area Partnership Program, and Youth Conservation Corps projects. The department is also requesting funding for a CIP project to improve visitor facilities at the Ahihi Kinau Natural Area on Maui which currently receives some of the heavy visitation. The CIP project will construct a parking lot for visitor traffic.

Increased public input and/or participation in both the planning and implementation stages of the Program will encourage local community support and understanding for the program. A recent survey found a high level of public support to set aside and manage nature preserves on each island, protect endangered species and to control invasive species. A moderate increase in funding for the NAPP, Watershed Partnerships and the YCC will allow existing projects to grow and provide the opportunity to add new projects.

The program will continue to seek partnerships with landowners and explore alternative funding and initiatives to sustain and manage the State's natural resources. The department appreciates the actions by the 2007 Legislature that provided a federal fund appropriation for the program to provide access to federal conservation dollars and use the state funds as match.

c. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

By statute (HRS 247-7) the NARF supports the Forest Stewardship and NAP Programs, NARS, watershed management and YCC. As a short term measure to support underfunded conservation programs, the Department supports continuing funding from conveyance tax revenue to support other programs, including Endangered Species

management, appropriate invasive species actions, and management of the forest reserve system. In the next biennium, this support will affect the funding available for the core programs for which the Natural Area Reserve Special Fund was created, particularly if conveyance tax revenue decrease as a result of a downturn in real estate transactions. The long-term solution to this problem will come from renewed and aggressive efforts to develop and solidify a broad coalition of support for separate and dedicated funding for endangered species management, comprehensive invasive species coordination and control, and forest reserve management. In a recent survey, the public was highly supportive of conservation programs and highly supportive of efforts to fund these programs.

4. Expenditures for FY08:

	Appropriation Act 213/2007 <u>FY 2007-08</u>	Collective <u>Bargaining</u>	Transfer In <u>Transfer (Out)</u>	Governor's <u>Restrictions</u>	Estimated Total <u>Expenditures</u>
(Pos. Count)	(23.00)				(23.00)
Personal Services	2,190,682	70,512	0	0	2,261,194
Current Expenses	7,611,981	0	0	0	7,611,981
Equipment	0	0	0	0	0
Motor Vehicles	6,000	0	0	0	6,000
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(Pos. Count)	(23.00)				(23.00)
Total Requirements	9,808,663	70,512	0	0	9,879,175
Less:					
(Pos. Count)	(1.00)				(1.00)
Special Funds	8,611,868	41,893	0	0	8,653,761
(Pos. Count)	(0.00)				(0.00)
Federal Funds	0	0	0	0	0
(Pos. Count)	(22.00)				(22.00)
General Funds	1,196,795	28,619	0	0	1,225,414

a. Explain all transfers within the program I.D. and the impact on the program.

None

b. Explain all transfers between program I.D. and the impact to the program

Recurring cash transfer to the Hawaii Invasive Species Council (LNR 402 Special Fund) (Act 178 Section 19, SLH 2005). The cash transfer has ranged from \$1,000,000 to \$3,000,000 in prior years and was \$3,000,000 in FY08 to fund the Hawaii Invasive Species Council Programs. The cash transfer that did not affect appropriated ceilings or reduce actual Estimated Total Expenditures in FY08. Cash transfers from the Natural Area Reserve Special Fund will reduce cash balance in FY09 and negatively affect the cash status if continued into the next biennium budget.

Recurring cash transfer of \$600,000 to the Forest Stewardship Special Fund to support the Forest Stewardship Program grants to private landowners. The cash transfer did not affect appropriated ceiling or reduce actual Estimated Total Expenditure in FY08.

Recurring cash transfer of \$1,575,000 to the Forest Stewardship Special Fund to support T+E programs, DOFAW invasive species personnel, administer the USDS/NRCS/CREP program, and Forest Reserve management. The cash transfer did not affect appropriated ceiling or reduce actual Estimated Total Expenditure in FY08.

Recurring cash transfer of \$60,000 to support DLNR Fiscal personnel. The cash transfer did not affect appropriated ceiling or reduce actual Estimated Total Expenditure in FY08.

Non-recurring cash transfer of \$2,640,000 to the Forest Stewardship Special Fund (LNR 172 special fund) to support Kula Forest Reserve Restoration. The cash transfer did not affect appropriated ceiling or reduce actual Estimated Total Expenditure in FY08.

The cash balance in the Natural Area Reserve Fund was adequate to fund these transfers over the short-term. Over the long-term, the conveyance tax revenue will not be able to sustain this level of transfers without reducing funds available for programs statutorily listed in HRS § 247-7. The public strongly supports funding for conservation programs and natural area preserves and supports the Department's efforts to sustain and expand these conservation initiatives.

c. Explain any restrictions and the impacts on the program.

None

5. Supplemental Budget Requests for FY09:

	Appropriation Act 213/2007 FY 2008-09	Budget Adjustment FY 2008-2009	Supplemental Request FY 2008-2009
(Pos. Count)	(23.00)	0.00	(23.00)
Personal Services	2,255,818	0	2,255,818

Current Expenses	7,246,981	2,000,000	9,246,981
Equipment	0	0	0
Motor Vehicles	6,000	0	6,000
<hr/>			
(Pos. Count)	(23.00)	(0.00)	(23.00)
Total Requirements	9,508,799	2,000,000	11,508,799
Less:			
(Pos. Count)	(1.00)	(0.00)	(1.00)
Special Funds	8,111,868	2,000,000	10,111,868
(Pos. Count)	0.00	(0.00)	(0.00)
Federal Funds	200,000	0	200,000
(Pos. Count)	(22.00)	(0.00)	(22.00)
General Funds	1,196,931	0	1,196,931

a. Workload Or Program Request

- i. Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program.

Increase Natural Area Reserve Fund ceiling by \$2,00,000.

The historic Legacy Lands Act (Act 156, Session Laws of 2005) raised expectations among supporters of the legislation and citizens concerned with the conservation of the State's unique natural resources that previously identified management needs (including fencing, animal removal, and weed control within critical watersheds and natural area reserves) would finally be funded. The Department successfully requested raising the spending cap in FY07 to fund a phased increase of natural area and watershed management actions. At that time, the Legislature cautioned the Program to take a couple of years to develop strategic plans and capacity (both personnel and infrastructure) to expand management actions before requesting additional funding. The Program now feels prepared to expand aggressive conservation actions in many NARS and Watersheds, thus realizing the long aspired goal of managing the NARS and watersheds on par with other private and federal conservation areas. Specifically it is requested the funds be allocated for:

A.	Management of Natural Area Reserves	\$750,000
B.	Watershed Partnerships related projects	\$750,000
C.	Natural Area Partnerships	\$120,000
D.	Youth Conservation Corps	\$240,000
E.	Increased Central Services costs	\$140,000



Protecting and managing the 1.5 million acres in watershed partnerships enhances the reliability and quality of our water, promotes the health of our forests, and benefits coral reefs and marine life. Increased funding for NARS protects the best remaining representatives of our native ecosystems and rare native plants and animals so that future generations can enjoy, study, and experience a unique natural heritage. This request will allow increase NARS and watersheds to be managed on par with other private and federal conservation areas by providing funds for active management, including control of invasive species and ungulates; monitoring of habitat and species health and of the effectiveness of management actions, maintenance of fences and other field infrastructure. The request will also allow the program to expand the number of students/interns and islands served under the YCC program.

- ii. Listing/description of positions requested, and funding requirements by cost category and source of funding.

None

- iii. For all lump sum requests, provide a detailed breakout indicating specific purposes for all planned expenditures.

None

- b. For all positions count reductions, please specify whether the positions were new, filled or vacant.

No reductions.

6. Program Restrictions:

Identify restrictions carried over from FY 07 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY08 and FY09.

None

7. Capital Improvement Program (CIP) requests for FY09.

See Appendix A.

8. Proposed Lapses of CIP projects:

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009  
January 18, 2008**

PROGRAM Structure Level: 08 02 04

PROGRAM ID and Title: LNR 801 Ocean-Based Recreation

**I. Introduction**

**A. Program Objective**

To enrich the lives of people of all ages by providing opportunities and facilities for developing skills and participating in non-organized ocean-based outdoor activities such as boating, saltwater fishing, surfing, ocean swimming, etc.

**B. Description of Program Objectives**

The major objectives of the program consist of bringing facilities up to a minimal standards by adapting, improving and expanding the capacity of existing mooring and launching facilities; operating and administrating, maintaining and policing boat harbors and launching ramps; constructing new facilities; registering boats and maintaining a centralized vessel registration file; regulating the commercial use of boating facilities; administering a marine causality and investigation program; constructing and maintaining navigation aids for boating facilities; and conducting public education in boating safety.

**C. Explain how your Program intends to meet its objectives within the upcoming fiscal year.**

The division implemented a rate fee increase in fiscal year 2007 and is planning another fee increase in the third or fourth quarter of fiscal year 2008. The division increased fees an average of 33% in spring of fiscal year 2007 and will increase them 8% in the spring of fiscal year 2008. The revenue from the fee increase funded positions that will enable the division to address ocean recreation usage and resolve the conflicts that arise from the increased use of the limited resource. The fee increase will also provide capital to service debt necessary to fund needed capital improvement projects (CIP). General Obligation (G.O.) bonds are used to finance all CIP boat harbor improvements. In the past, G.O. bond funds have been authorized for the required matching fund for Federal-State projects and for boat launching facilities; however, boating projects to be funded by solely by G.O. bonds have been afforded low priority over the past several years. DOBOR is requesting \$10 million this year as a part of a multi-year program to improve the harbors and ramps statewide. As a part of the public hearing process to increase fees, the boating community was contacted to discuss how increases in boating fees would pay

reimbursable bond payments for these improvements. Reimbursable G.O. Bonds are used to finance most boat harbor improvements and debt service expenditures must be kept at reasonable levels commensurate with anticipated revenues. The scope of responsibilities for the division has expanded to include oversight of ocean recreation activities that are not associated with harbors usage and do not contribute funds to the Boating Special Fund. These activities include surf schools, regulation of activities at popular snorkeling and diving areas, and regulation activities at beach parks. These types of activities benefit the non-harbor, ocean using public and support the premise that General Fund support is necessary.

The primary source of revenues to the Boating Special Fund (approx. 63%) is mooring and other harbor use fees, including 3% of gross revenues of commercial vessels using boating facilities, commercial thrill craft and parasail operations, and cruise ship operations. Other primary sources include the State marine fuel tax, rental income from leases and revocable permits of boating facility's properties, vessel registration fees and the interest from short-term investment of available cash. Future rate increases and supplemental revenue sources (2001 Legislative Auditors Report) are required to do the necessary capital improvements, as well as to offset the 20% OHA contribution, and cover other cost increases. The division has conducted public hearings to increase fees for parking at its facilities and is proposing that parking fees be no higher than current city and county employee rates for permittees. The parking fees have not been increased in over 10 years and the increase will be used to fund much needed repairs, maintenance, and improvements to harbor parking areas. The division recognizes that substantial repairs and improvements are needed and is proposing a multi-year program to address these needs on a statewide basis. These improvements, as well as CIP improvements, will be funded with fee increases.

The first demand to transfer 20% of revenues received from boating facilities on ceded lands to OHA occurred at the end of 1992. The division continues to make contributions as required by statute. An increase in the amount of receipts received by the division has resulted in an increase in the amount remitted to OHA. This has reduced the amount of resources that the division has to address its operating issues and maintenance funding.

Federal Recreational Boating Safety Act (RBSA) funds, which are subject to renewal by Congress, are essential to maintaining a comprehensive boating program. These funds are to be used for supporting a statewide vessel registration program, boating safety education program, and effective enforcement of boating laws. RBSA funds reimburse the Boating Special fund for qualified expenses up to the grant amount. Some additional federal funds are available under the Wallop-Breaux Act for boating access facilities, amounting to 15% of the State's allocation from this source. The Department of the Interior approves projects for funding from this source, on a case by case basis.

## **II. Program Performance Results**

### **A. Discuss the performance results achieved by the program in FY 2007.**

Performance results have been reported in the “Measures of Effectiveness” report submitted each year. Categories include: total number of launching ramp lanes per thousand dry moored boats; total number of berths as a percentage of total requirements; number of reported boating accidents per ten thousand boats; number of fishing boats moored in water; number of other boats moored in water; number of boats stored on land; total State de facto population; provision of berths (numbers); other moorings (numbers); and launch ramps (number of lanes). These measures of effectiveness were part of the Harbors Division program when the Boating Division was a branch of that division. The numbers recorded each year since 1992 have not changed significantly except for the reduction in the number of berths due to deterioration. In order to provide more pertinent information, the division has begun tracking the number of capital improvement projects started and completed as part of the measures of effectiveness.

The Measures of Effectiveness provides basic information to assess and understand the Division’s performance. This information, combined with a knowledge of the Division’s finances will provide an understanding of what effects and drives the performance of the Division.

The Division is considering areas that are results oriented/outcome based to assist the department in providing safer, more secure and economical access to the boating public’s natural resources. The areas under review are: shortfalls in funding and deferred maintenance. Additional areas for consideration may be addressed in the future.

### **B. Explain how these results relate to the Program’s Objectives and Department’s mission.**

The results will reflect the division’s efforts in sustaining our natural resources, which directly relates to departmental objectives.

### **C. Explain how the effectiveness of the Program is measured (i.e.: outcome, measures of effectiveness, benchmarks, etc.) and discuss the performance results achieved during the past two years.**

The Measures of Effectiveness provides basic information to assess and understand the division’s performance. This information, combined with a knowledge of the Division’s finances will provide an understanding of what effects and drives the performance of the Division.

Effectively, the division’s cash flow is sufficient for the daily operation of the division and minimal CIP. However, there are increased demands for enforcement

services as well as for administrative and cultural entitlements. This has served to limit the amount financial resources available to address future CIP needs. As a result, facilities have been taken out of service until the division is able to obtain viable funding.

**D. Discuss actions taken by each Program to improve its performance results.**

Deferred maintenance: It is vitally important that the facilities are maintained to provide a safe, healthy atmosphere for the boating public. It is calculated that total replacement costs for our facilities statewide total over \$350 million. Based on conservative engineering projections of the annual investment needed just to prevent existing facilities from deteriorating further, preventive maintenance and repair equivalent to 6-8% of the replacement costs would be required. DOBOR will request \$10 million this year as a part of a multi-year program to improve and repair the harbors and ramps statewide. The list of deferred maintenance grows and facilities have to be shut down to the boaters when they are no longer deemed safe. The desired outcome is to arrest the growth in the list of deferred items and bring all facilities up to minimum standards. The age of the boating facilities (the newest facility is over 20 years old) may limit the amount of deferred maintenance that may be effectively be performed. This will require additional CIP funds to address the re-building of existing facilities.

**III. Problems and Issues:**

**A. Discussion of Problems and Issues Encountered if any**

1. Organization.

The Division of Boating and Ocean Recreation (DOBOR) transferred to the department on July 1, 1992. It was previously a branch in the Harbors Division of DOT. Although all the functions and properties were transferred, many of the personnel providing support functions remained with DOT and DOT has steadily decreased the amount of support functions that it provides. These functions were gradually assumed by the new division and supported by DLNR personnel. An organization change was approved in 1993, which provided the framework for the new division. There was also the provision that positions would be upgraded to reflect current responsibilities and salary increases. That effort continues to this date. The division has increased staffing to address increased fiscal responsibilities and requirements; however, there remain several areas that need to be addressed.

2. Funding.

The Administration is proposing to develop lands adjoining harbor facilities to provide for supplemental revenue stream and has implemented a rate fee increase that will provide funding for necessary repairs and maintenance and

support \$10 million CIP. The division will seek approval of an additional \$10 million for CIP projects through G.O. Bonds. Revenue Bonds have also been considered, but DOBOR has been advised that its revenue base will not adequately support issuance of those bonds.

3. Repairs and Maintenance.

The Division continues to repair deteriorating facilities with limited resources. The Division estimates that it needs \$350 million to address CIP at all its facilities. It also needs to comply with current codes such as the American with Disabilities Act (ADA). DOBOR has implemented a fee increase package that will provide increased funding for repairs and maintenance of harbors and ramps. The initial fee increase averaged 28 percent statewide and calls for two additional 8 percent increases should the Legislature authorize at least \$10 million in CIP per year. The 2007 Legislature approved another \$10 million in CIP and the first 8 percent increase is scheduled to take place the beginning of 2008. We are hopeful that the Legislature will authorize an additional \$10 million in CIP for 2008 which will allow the division to continue to make much needed improvements to the facilities and generate additional revenue needed to make the bond payments.

4. Rules

It is recognized that the Division's current administrative rules are too lengthy, hard to understand, and redundant. DLNR continues to work with the Office of the Attorney General to rewrite all of the DLNR rules, including DOBOR, and plans to simplify all of DLNR's rules. DOBOR has implemented a new mooring fee structure in 2007 and will be holding public hearings to update the parking rates at the small boat harbors. It is compiling revisions to update all of the harbor fees statewide.

**B. Program Change Recommendations to remedy Problems**

The Division is re-evaluating staffing and agency shareholders to focus its efforts more effectively and efficiently.

The Administration submitted a lump sum CIP package for \$10 million each year for statewide harbor improvements within the Executive Budget. The Division is also crafting rules and providing the public with information on the internet.

**IV. Projected Expenditures for Fiscal Year 2007-2008:**

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In (out)	Governor's Restrictions	Estimated Total Expenditures
(Pos. Count)	(97.00)				(97.00)
Personnel Services	4,012,827	119,183	0	0	4,132,010
Current Expenses	12,342,901	0	0	0	12,342,901
Equipment	104,000	0	0	0	104,000
Motor Vehicles	155,000	0	0	0	155,000
Total Requirements	(97.00) 16,614,728	119,183	0	0	(97.00) 16,773,911
Less:					
(Pos. Count)	(97.00)	0.00	0.00	0.00	(97.00)
Special Funds	15,913,929	119,183	0	0	16,033,112
(Pos. Count)	0.00	0.00	0.00	0.00	0.00
Federal Funds	700,799	0	0	0	700,799
(Pos. Count)	0.00	0.00	0.00	0.00	0.00
Other Funds	0.00	0	0	0	0
(Pos. Count)	0.00	0.00	0.00	0.00	0.00
General Funds	0	0	0	0	0

**A. Explain all transfers within the program i.d. and the impact on the program**

None

**B. Explain all transfers between program i.d. and the impact on the program**

None

**C. Explain all restrictions and the impacts on the program**

None

**V. Supplemental Budget Request for FY 2008 - 2009:**

	Appropriation Act 213/2007 <u>FY 2008-09</u>	Budget Adjustment <u>FY 2008-2009</u>	Supplemental Request <u>FY 2008-2009</u>
(Pos. Count)	(100.00)	(5.00)	(105.00)
Personnel Services	4,128,345	264,323	4,392,668
Current Expenses	12,342,901	64,321	12,407,222
Equipment	104,000	-	104,000
Motor Vehicles	155,000	-	155,000
(Pos. Count)	(100.00)	(5.00)	(105.00)
Total Requirements	16,730,246	328,644	17,058,890
Less:			
(Pos. Count)	(100.00)	(5.00)	(105.00)
Special Funds	16,029,447	328,644	16,358,091
(Pos. Count)	0.00	0.00	0.00
Federal Funds	700,799	0	700,799
(Pos. Count)	0.00	0.00	0.00
Other Funds	0	0	0
(Pos. Count)	0.00	0.00	0.00
General Funds	0	0	0

**Listing/Description of Positions Requested, Funding Requirements and Source of Funding**

<u>Position/Category</u>	<u>FY 08</u>	<u>FY 09</u>	<u>Source of Funding</u>
2 CREO IV (SR 22)	-	128,643	Special
3 Account Clerk IV (SR 13)	-	135,680	Special
Ceiling increase for prop management		64,321	Special

**A. Workload or program request**

**1. Reasons for Request**



The Division is requesting five additional positions that would be responsible for developing, implementing and overseeing facility security plans at the Lahaina small boat harbor and at the Kailua-Kona pier. These security plans are required by federal law and must be approved by the United States Coast Guard. An approved security plan is required for the receipt of cruise ships. Also, the division is seeking to use funds to procure property management consultant services. The services would concentrate on ensuring that leases and revocable permits for the Ala Wai Small Boat Harbor are generating rents that are consistent with market rates.

**2. A listing/description of the positions requested, and funding requirements by cost category and source of funding.**

The Division is requesting to transfer two CREO IV and three account clerks from LNR 405 to develop, implement, and oversee the facility security plans for Lahaina small boat harbor and Kailua-Kona pier. The positions would be responsible for ensuring, as well as documenting, that the facility security plan is properly implemented for all cruise ship port calls. The Division of Conservation of Conservation and Resource Enforcement (DOCARE) is currently performing this duty.

**B. For all position count reductions, please specify whether the positions were new, filled or vacant.**

None

**VI. Identify restrictions carried over from FY 2007-2009 as well as additional reductions due to the Department of Budget and Finance budget ceilings for FY 2008-2009.**

None

**VII. Capital Improvement Requests for Fiscal Year 2008-2009**

SEE APPENDIX A

**VIII. Proposed Lapses of Capital Improvements Program Requests: See Department Testimony – CIP Lapsing List**

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009  
January 18, 2008**

Program Structure Number: 08 01 05  
Program I.D. and Title: LNR 802 - Historic Preservation

**I. Introduction**

**A. Summary of Program Objectives**

Develop and maintain a comprehensive program of historic preservation and to promote the use and conservation of historic properties for the education, inspiration, pleasure and enrichment of the citizens of Hawaii.

**B. Description of Program Objectives**

1. Plans, organizes and directs an ongoing program of historical, architectural and archaeological research and development, including surveys, excavations, scientific recording, interpretation, and publications on the State's historical and cultural resources.
2. Plans, organizes and directs a statewide survey and inventory to identify and document historic properties, including those owned by the State and its political subdivisions.
3. Regulates archaeological activities throughout the state.
4. Coordinates the protection and management of burial sites.
5. Provides technical and financial assistance to the political subdivisions of the State and public and private agencies involved in historic preservation activities.
6. Plans, organizes and prepares information for the Hawaii Register of Historic Places and for listing in the National Register of Historic Places.
7. Informs and educates the public with regards to Hawaii's heritage and historic preservation concerns.
8. Manages select historic properties.

**C. How Program Intends to Meet Its Objectives Within the Upcoming Fiscal Year**

The Division will continue to push staffing to the islands where the development project activities are the greatest. Historic Preservation division is seeking funds to provide permanent office space for the Hawaii island staff. The borrowed space at Honokohau Harbor was retaken by DOCARE in May 2007. The funding of the Hawaii island space will allow the division to have a permanent home on the neighbor island. The Neighbor Islands are still going through a period of rapid growth, and we will continue placing staff close to project areas. Being close to the development projects improves response time and increases service levels to our customers. Additionally, the division reallocates workloads to different island staff taking advantage of temporary downtime to increase throughput,

The Division will improve its management of the statewide inventory of historic and cultural sites by promoting the development of partnerships for the purpose of surveying major land areas of historic and cultural significance. Recently the Big Island's historic properties were re-surveyed and we will continue to updating the division's Hawaii and National Register of Historic Places, and additional funding was provided to Maui County to re-survey the all State and National Register properties for Maui, Lanai and Molokai. Condition assessments are being done that include cost estimates for repairing the historic property.

The Certified Local Government (CLG) program will be implemented in accordance with federal mandates, as will the federal tax incentive program. The Division will work with the National Park Service and the counties to identify strategies for improving the CLG program and to ensure grants are awarded competitively.

The Division will limit any expansion of the number of historic and cultural properties which the program currently manages, and instead focus on developing cooperative agreements with agencies better able to provide these services. The Division will work with communities to increase the number of nominations to the Hawaii Register of Historic Places and the National Register of Historic Places.

**II. Program Performance Results**

**A. Discuss the Performance Results Achieved in FY 2007.**

During FY 2006 and FY 2007 the program reviewed greater than 4,000 development projects and handled an estimated 150+ burial finds. During

FY 2007 approximately 400 new sites were identified and added to the statewide inventory of historic places. Public information projects included the production of a calendar as well as a number of public presentations. The Program also responded to numerous public and agency requests for information on historic properties and historic preservation issues.

**B. Explain How These Results Relate to the Program's Objectives and the Department's Mission**

The results directly correlate with the program objectives and priorities and focuses on sustaining natural and cultural resources for present and future generations.

**C. Explain How the Effectiveness of the Program is Measured and Discuss the Performance Results Achieved During the Past Two Years**

Despite fluctuations in the number and types of development reviews conducted, funding constraints, and high staff turnover, the program continued to provide basic services during FY 2007 and FY 2008 and to address increasing demands for those services. The Division sees the need for additional staff to manage the information flow.

The review of development projects remains a high program priority, and staff is presently working to make operational and procedural changes to ensure reviews are conducted consistently. Responding to the discovery of human skeletal remains and the proper treatment of these ancestral remains will also continue to be a high program priority. Internal procedures are being reviewed and modified to further expedite and track this process. The development of information on historic properties and the Program's activities continues to be accomplished, especially with expanded use of the State Historic Preservation Division's webpage. The Department continues to process nominations to the Hawaii and National Registers in a timely manner and plans to increase the diversity of historic property types nominated to the Register. Other program activities including the management of historic properties, support of the Main Street program and the overseeing of volunteer groups caring for historic properties are handled as best as possible, considering staff time and resource availability.

**D. Discuss Actions Taken to Improve Performance Results**

The professional staff has performance parameters to be met. These performance measurements have allowed proper reallocation of work to less busy staffers, but the division is constrained by work rules so complete work sharing is impossible. The network integration work done during FY 2006 - 2007 has paid off in speedy information flows, reduced errors, and better quality reviews.

**E. Identify all Modifications to the Program's Performance Measures and Discuss the Rationale for these Modifications**

Program performance measures were modified to effectively determine the outcomes of program activities. Rather than measuring the percent of nominations placed in the Hawaii Register, the Division will monitor program objectives by increasing the number of sites added to the National and State registers annually. The Division has also modified performance measures for the burial program to ensure program activities achieve the overall objective of minimizing inadvertent burial discoveries and ensuring disinterred human remains are reinterred in a timely manner. Currently, the Burial Programs' outcomes are measured solely through the timely response to inadvertent burials. The Division has also eliminated performance measures that focus on the percent of grant requests funded and the percent of non-state funds obtained as these activities do not reflect the Division's core mission. In addition, performance measures tied to the management of historic sites have been removed since the division generally does not manage historic sites and has instead pursued outside management.

**III. Problems and Issues**

**A. Discussion of Problems and Issues Encountered**

1. High staff turnover resulted in unforeseen vacancies which adversely affected the division's ability to meet performance measures. A vacancy in all three branches has resulted in a backlog of reviews.
2. The Division continues to address the recommendations of the Office of Auditor's 2002 report to improve the effectiveness and accountability of the program.
3. The need to develop preservation strategies for the protection of Hawaii's small towns and communities and their economic viability remains a concern, given the budgetary constraint.
4. The Division does not have a Hawaii Historic Preservation office on the island of Hawaii. The Division is asking for funding for leased space on Hawaii island to house our Hawaii staff, records, library and assorted supplies. An office on this island will solidify our presence on the island; provide our staff with a public meeting place.

**B. Program Change Recommendations to Remedy Problem**

1. The Division is in the process of redescribing vacant positions and will actively work to fill these positions with qualified staff. The

Division will seek emergency hires when appropriate to temporarily fill positions that are undergoing active recruitment.

2. The Program will also work to form cooperative agreements with other state and county agencies responsible for economic development as a means of rejuvenating the economic viability of Hawaii's small towns and communities.

**IV. Projected Expenditures for Fiscal Year 2007-2008:**

	Appropriation Act				Estimated
	213/SLH2007	Collective	Transfer In	Governor's	Total
	<u>FY 2007-2008</u>	<u>Bargaining</u>	<u>Transfer Out</u>	<u>Restrictions</u>	<u>Expenditure</u>
(Pos. Count)	(13.00)				(13.00)
Personnel Services	1,351,905	40,335	0		1,392,240
Current Expenses	227,956	0	0	0	227,956
Equipment	0	0	0	0	0
Motor Vehicles	14,000	0	0	0	14,000
	(13.00)				(13.00)
TOTAL	1,593,861	40,335	0	0	1,634,196
Less:					
(Pos. Count)	(0.00)				(0.00)
Special Funds	142,295	3,664	0	0	145,959
(Pos. Count)	(0.00)				(0.00)
Federal Funds	496,629	4,959	0	0	501,588
(Pos. Count)	(13.00)				(13.00)
General Fund	954,937	31,712	0	0	986,649

**A. Explain all Transfers Within the Program I.D. and its Impact on the Program:**

None

**B. Explain all Transfers Between the Program I.D.s and its Impact on the Program:**

None

**C. Explain all Governor's Restrictions and the Impact on the Program:**

None

**V. Supplemental Budget Requests FY 2008-2009**

	<u>Budget Request</u> <u>FY2008-2009</u>	<u>Budget Adjustment</u> <u>FY2008-2009</u>	<u>Supplemental</u> <u>Request</u>
(Pos. Count)	(13.00)		(13.00)
Personnel Services	1,352,063	121,812	1,473,875
Current Expenses	227,956	130,000	357,956
Equipment	0	0	0
Motor Vehicles	14,000	0	14,000
<b>TOTAL</b>	<b>1,594,019</b>	<b>251,812</b>	<b>1,845,831</b>
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds	142,295		142,295
(Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	496,629		496,629
(Pos. Count)	(13.00)	(0.00)	(13.00)
General Funds	955,095	251,812	1,206,907

**A. Workload or Program Change Request**

Requesting lease rent monies for FB 2008-2009 in the amount of \$60,000 per year. Hawaii island staff has lost the Kona office space and is in need of a permanent office for the 3 staff personnel. Additional money is requested in the amount of \$70,000 for reinternment of iwi in the State Inventory on all islands. Sets of remains need to be reinterred and the funding will allow the department to purchase burial vaults and to pay for labor to reinter the iwi. Librarian IV position to maintain the SHPD library on all islands. The library on each island was maintained by the island Archaeologist. A professional Librarian will provide consistent filing system for reports. The position funds are G funds and are in the amount of \$44,524 a SR-22 position rating.

Two Compliance Specialists will provide the division with staff that can do the project intake and classification for the professional staff and will provide a consistent data base inputting to insure projects are not lost and will provide timely response to public inquiries. The Division currently has two clerks for the whole division and most of their time is taken up with correspondence processing. Position funding are G funds and are in the amount of \$38,644 and have a SR-16 rating

**B. For All Position Count Reductions, Specify Whether the Positions Were New, Filled, or Vacant**

None

**VI. Restrictions/Reductions**

None

**VII. Capital Improvement Program Requests for FY 2008-2009**

None

**VIII. Proposed Lapses of Capital Improvement Program Projects**

None



**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 08 02 01

Program I.D. and Title: LNR 804 Forest and Outdoor Recreation

1. Introduction

a. Summary of Program objectives

(1) To provide managed opportunities and facilities for the public to engage in multiple-use outdoor recreation activities (hiking, biking, equestrian riding, off-highway vehicle use, hunting, and camping) while also providing access for resource management. (2) To maintain, and enhance a public hunting program to provide a source of food and outdoor recreation for the public and as a means to control introduced game animals in watershed areas. (3) To inventory, document ownership and restore specific historic trails and non-vehicular old government roads for public use where it is feasible and culturally appropriate.

b. Description of Program objectives

- i. Evaluate, maintain and/or construct recreational trails and access roads
- ii. Maintain ancillary recreational facilities (campgrounds, hunter check-in stations, shelters, arboreta, picnic areas)
- iii. Install, monitor and maintain informational and warning signage
- iv. Inventory and conduct surveys of game birds and mammals.
- v. Evaluate hunter harvest and participation for setting seasons and establishing rules.
- vi. Enhance game habitat areas (fencing, planting, predator control management facilities)
- vii. Manage, regulate and monitor commercial trail and access road tour activity.
- viii. Research title to ancient and historic trails, determine feasibility of restoring for managed public use.
- ix. Develop new public hunting areas for management.
- x. Administer and manage citizen advisory and volunteer groups

c. Explanation of how the Program intends to meet its objectives within the upcoming fiscal biennium

i. The Statewide Trail and Access Program - Na Ala Hele (NAH)

1) The Department conducts routine trail and access road maintenance to insure that the condition of these features meet specific management standards for public safety, and that routes are maintained for: fire pre-suppression and combat, recreational and subsistence hunting, watershed management activities, public and commercial hiking, biking, equestrian & motorized

outdoor recreation. Program staff provide comments on development that may affect both recreational access and ancient – historic trails, or old government roads, and provide technical and developmental support to organizations or agencies to resolve public access disputes and facilitate public access to or across private lands. The Program continues to use a combination of existing field crew staff, community volunteers, commercial partnerships, and on Oahu - Department of Correction work-lines for essential trail maintenance. Current demand and future need for trail maintenance and recreational facilities is increasing. Because of limited staff and resources, development will most likely be limited to establishing and leasing areas suitable for authorized Off-Highway-Vehicle (OHV) trails for management by OHV non-profit organizations and, restoration of managed public use along specific ancient and historic trails, located primarily on the Big Island. The maintenance of ancillary recreational facilities such as campgrounds, hunter check-in stations, shelters, arboreta, and picnic areas will be accomplished using a variety of program staff and funds.

The installation, monitoring and maintenance of both informational and warning signage will increase in future years to meet the requirements and intent of Act 82, SLH 2003 (see the 2008 Annual Report to the Legislature on Public Land Liability for more information). The managing, regulating and monitoring of commercial trail and access road tour activity will continue as is in FY08.

Researching title to ancient and historic trails will continue at its current rate via Program staff, but restoring public use to 100% of these culturally sensitive historic features will be dependent on availability of staff and resources to manage new additions to the program. The participation of citizen advisory and volunteer groups is expected to remain sporadic due to fluctuating vacancies and interest in advisory councils and the inconsistent recruitment of additional community volunteers.

The NAH program will continue to rely on funding from the State Transient Accommodations Tax (via the Hawaii Tourism Authority), the Department of Transportation allocations of 0.3% of the State Fuel Tax, the Federal Recreational Trails Program (RTP), and fees collected from authorized commercial trail and access road tour operators. The federal RTP funds are the fiscal base of the NAH Program and provide the majority of operational funding for fieldwork. General funds are applied to staff salary and associated administrative cost in running the Program.

ii. The Statewide Game Management Program

The statewide game management program provides public opportunities to hunt pigs, deer, goats, and sheep and more than 15 species of game birds. The program will continue to rely on federal grant funds from the Pittman-Robertson Wildlife Conservation and Restoration Fund, and revenues

generated from the sales of hunting licenses, tags, stamps, and other fees and deposited into the Wildlife Revolving Fund.

The program will continue public hunting statewide with special hunts available for youth and disabled hunters. Department lands in which public hunting may be allowed by rule include game management areas, forest reserves, watersheds, designated sanctuaries, military training areas, unencumbered state lands, and other lands designated by the Board.

The Game Management program will continue statewide surveys and inventories of game birds and mammals using standardized aerial and ground count methods. Hunter participation and success will be monitored using manned or self-check stations. Data from surveys and check stations are analyzed to provide information on population trends and allow adjustments to seasons, days, and bag limits. In addition, projects will be conducted to enhance game populations through habitat management and predator control where appropriate.

The Department will also pursue opportunities to establish new hunting areas. Wherever possible, efforts will be undertaken to purchase or lease new lands, to set aside new areas for hunting, or to establish cooperative agreements with landowners to provide access to or through private lands for hunting. Special seasons and area hunts are added as required or appropriate.

## 2. Program Performance Results

### a. Discussion of the Program performance results achieved in fiscal year FY07

#### i. The Na Ala Hele Program (NAH)

The Department has jurisdiction over approximately 309 miles of multi-use trails and approximately 367 miles of four-wheel drive access roads Statewide. The Program is currently capable, with the ancillary staff, partnerships and related federal and state funds, to manage only approximately 75 percent of this mileage at a standard of care that is consistent with management standards. The appurtenant facilities such as shelters, and picnic area arboreta are managed at approximately 80 percent of optimal standards or frequency. Rapidly growing vegetation and varying erosion along trails and inadequate staffing prevent systematic maintenance of 100 % of all trails statewide.

The Program continued evaluation on trail locations Statewide for the installation of signage warning of potential exposure to dangerous natural conditions. In FY07 the design of the warning signs was approved by the Board of Land Natural Resources for both DOFAW and State Park locations, and are now being produced and installed. In FY07 commercial trail and access road tour activity generated \$91,913 in revenue from fees collected from 17,870 visiting patrons of authorized commercial tour

providers. Due to current tourism projections, this trend should remain stable and consistent in FY08-09.

Title searches were conducted on 19 ancient and historic trails and staff determined that 6 all located on Hawaii were owned by the government and therefore public trust resources.

The NAH Program conducted monthly and quarterly Trail and Access Advisory Council (AC) meetings on the island of Maui, Oahu, and Hawaii. Advisory Councils on Kauai, Molokai and Lanai did not meet due to a lack of membership quorum. An annual Statewide Advisory Council meeting was conducted in August 2007 on the Big Island and various topics related to respective island activities, the NAH Budget and issues associated with recreational and historic trail and OHV initiatives. The following day a field trip was conducted to discuss the development of the trails in Hokulia.

In FY07, public access was restored to the Oahu Ewa Forest Reserve/Poamoho Trail on Oahu in collaboration with Dole Foods Hawaii and Castle and Cooke. Hunters and hikers are now able to obtain a NAH permit to drive across two miles of private agricultural land to the landlocked public land. With funding and support from the DLNR's Wildlife Program and Oahu Forestry Section staff, volunteer groups, and inmates from the Oahu Community Correction Center, NAH improved the access road and installed over two miles of new fencing, three heavy gates and information signs in order to fulfill the requirements of the MOA. Access was opened in July of 2007 and in the first three months, 23 hunter access permits (valid for one year) and 53 hiking permits (approximately five people per permit trip) were issued. Enforcement against unauthorized use is being conducted.

ii. The Statewide Game Management Program

The hunting program in FY 07 was supported by more than \$884,000 in federal grant funds and just under \$391,000 in revenues deposited into the Wildlife Revolving Fund (a total increase from FY 06 of 26%). The program continued to conduct surveys and collect check station data to monitor game population trends statewide to guide the establishment of hunting seasons, days, and bag limits. Work to develop a new game bird propagation facility continued in Hanapepe, Kauai. Efforts continued statewide to manage game bird habitat, including controlling predators and invasive plants, maintaining water units, and mowing to increase habitat suitability. Other activities included maintenance of roads for hunter access and to lease agreements for public hunting on Lanai, Maui, and Hawaii.

- b. Explanation of how these performance results relate to Program's objectives and department's mission.

The program objectives and activities performed are consistent with the State public recreation policy goals as stipulated in the 2003 State Comprehensive Outdoor Recreation Plan to provide new opportunities for forest and outdoor recreation for residents and visitors and to encourage healthy habits and the enjoyment of the environment. Implementation of program activities also follows the general departmental policy of first ensuring resource protection and then allowing public use and commercial use, in that priority, if it does not adversely affect the resource.

- c. Explanation of how the effectiveness of the Program is measured (i.e.: outcomes, measures of effectiveness, benchmarks, etc.) and discussion of the performance results achieved during the past two years.

The Program utilizes the following criteria to measure a certain standard of effectiveness:

- i. Percent of trails and access roads maintained compared to total mileage,
- ii. Percent of recreational facilities maintained compared to total,
- iii. Number of signs installed and maintained,
- iv. Number of game animals harvested,
- v. Number of special hunting tags, permits and applications issued,
- vi. Percent of the acreage of vegetation maintained and fenced for habitat compared to total acreage,
- vii. Number of new public hunting areas developed,
- viii. Number of commercial trail tour patrons guided,
- ix. Number of volunteer hours, and
- x. Numbers of ancient and historic trail abstracts performed.

The Program attained just 80% of its goals for trail and road maintenance because of limited funding and staffing. Achieving 100 percent, maintenance and management of trails and roads under Program jurisdiction and the development of new recreational trails will require additional resources. Volunteer assistance can help meet these needs and are valuable community assets, but there is no assurance of a steady recruitment or availability of specialized skills.

- d. Discussion of actions taken to improve performance results

The NAH Program will seek additional grants through the Federal Highways Administration and continue to receive statutory allocations via the State Fuel Tax, collaborative funding via the Hawaii Tourism Authority (Transient Accommodations Tax), and authorized commercial trail tour revenue to support staffing and operational funding. The Program will attempt to maintain its use of community volunteers, Department of Corrections Worklines and occasional private sector business to conduct trail and access road maintenance activities.

To enhance opportunities for public hunting, the Department began preliminary scoping to develop a new game management plan and review the current program procedures and rules. The initial phase of this work will focus on the island of Hawaii to develop a pilot project and determine whether new planning efforts will

provide an effective framework to increase hunter opportunities, success, and satisfaction. The project is a collaborative effort between the Department, the University of Hawaii, hunting advisory groups, and private citizens.

- e. Identification of all modifications to the Program's performance measures and discussion of the rationale for modifications

The FY06, performance measures were adjusted to quantify current objectives that reflect funding sources, partnerships, shifts in recreational use over time, land use development, and shifts in management due to public safety and cultural and resource management. This change is reflected in the current Program objectives listed above.

### 3. Problems and Issues

- a. Discuss any problems and issues encountered by the Program

- i. The Na Ala Hele Program

Public interest in off-highway vehicle (OHV) recreation is increasing and affecting both public and private landowners. This proliferation of OHV's and increasing consumer interest in land for development and management of OHV recreation will affect the use and distribution of a portion of RTP Program funding. A minimum of 30% of the RTP funds must be applied to Motorized recreation, pursuant to the federal grant requirements. While managing four-wheel drive access roads currently fulfills the RTP criteria, the federal intent is to provide opportunities for OHV recreation for OHV use that expands Program management and maintenance costs and using funds that previously have been going into maintenance of the existing forest road system. Managing OHV activity is new to the Program and staff and there are different expectations and potential conflicts between the different user groups on how to use program funds to manage traditional hiking trails versus OHV areas. This is creating tension among various LNR Program as well. Locating environmentally and socially acceptable private or public land areas for OHV use is essential to avoid damage to natural resources.

Accelerating land development, particularly in South Kona on Hawaii, is requiring increased Program support because of abstract data documenting public ownership and the subsequent growing demand for the public use of ancient and historic trails. As public ownership is confirmed on increasing sections of ancient and historic trails, there is a significant need to increase Program staff in order to adequately manage and protect these historic resources from public use and decay. A critical resolution will be to augment Hawaii Program staff in order to address these issues. This situation is further complicated by the designation of the Ala Kahakai National Historic Trail – a federal designation that will be overseen by the National Park Service. The resulting added publicity and public exposure to coastal sections of state owned historic trail has increased dramatically – and as of yet there is no final plan for the implementation and management of Ala Kahakai.

The Department has submitted CIP requests for Special Funds to construct composting toilets for the Mauna Kea Forest Reserve on Hawaii and to continue the Statewide sign assessment and production. Special Funds for both projects will require 400K if approved. However, implementation will rely on the program obtaining an increase in existing revenue sources or securing grants for these projects.

The NAH Program was supported by \$758,079 in federal Recreational Trail Program (RTP) funds and \$91,913 in revenue collected from commercial trail tour fees. 3.5 positions are partially funded by \$230,328 allocated from the State Fuel Tax and 3.0 positions are supported by \$100,000 allocation from the Transient Accommodations Tax.

ii. The Statewide Game Management Program

The Department's land management policies must accommodate a wide range of user groups and activities while ensuring the protection of native resources. Increased demand for multiple use recreation activities such as hiking, camping, off-highway vehicle use, and the reservation and management of lands for conservation activities continue to reduce the amount of land available for public hunting.

Population growth, development and urbanization also place pressure on hunting land. As urban sprawl expands into forests and wildlife habitat, hunting decreases because of safety concerns and the proximity to residential housing, but game animals continue to use available habitat and may even move into adjacent residential areas looking for food. Without intervention, the number of conflicts between homeowners and game animals increases over time. This situation continued last year in portions of the urban Honolulu Watershed Forest Reserve and Manoa/Tantalus neighborhood where residents expressed growing concerns about the presence of game animals entering residential areas. Hunters are typically willing to help and if the community is willing to adjust their recreational uses of the area, the Department can create special hunting seasons and hunting methods to get hunters into the area, facilitate trap setting, and reduce numbers of problem animals. This issue is not unique to Honolulu and occurs throughout the state in areas where urbanization is adjacent to forested lands such as many areas of Honolulu.

b. Program change recommendations to remedy problems

i. The Na Ala Hele Program

The Program will continue to work with Off-Highway Vehicle (OHV) associations across the State to attempt to develop appropriate areas for OHV use. OHV riding areas have been developed on existing roads the Waiakea and Mauna Kea Forest Reserves on Hawaii. The Program is working with an OHV organization on Oahu to develop an OHV riding area at Sand Island and on Maui. This is requiring additional staff time to

coordinate, develop and manage OHV projects and takes away from other regular management and maintenance efforts by program managers. The department is requesting the conversion of 3 general laborer positions to Forestry and Wildlife Worker II positions to enable these positions to work more independently. This flexibility will help extend staff resources for the overall program when the field crew staff can work more independently and professional level staff can spend more time working on program development, administration and management.

The Program is working on the premise that responsible OHV use, in authorized locations that are managed for this activity, is a very positive element for public recreation and that it is critical that OHV use not be conducted in areas that are environmentally sensitive. The establishment of additional managed OHV areas will require the collaborative efforts of government land managers and the private sector – both the retailers who are selling OHV equipment and potential private landowners that may allow this use. State and private lands are not appropriate for this activity due to the environmental and potential social impacts associated with high sound levels and fugitive dust.

In Hokulia, Hawaii, after years of litigation, a Settlement Agreement was reached that established state ownership of the two additional historic trails – (including the already established State owned Old Government Road) which comprise the Hokulia Trail Complex. These three trails are now under the jurisdiction of the NAH Program and will be managed and maintained by Hokulia under an agreement. The Program is fortunate that in this specific scenario, the adjacent landowner has the operating capital to manage these trails for the State. However, in several other locations on the Big Island where there are documented historic trails, this day-to-day management responsibility will fall to Program staff. Additional staffing and resources will be required over time to manage and protect these valuable historic resources.

ii. The Statewide Game Management Program

As urbanization and loss of hunting areas to other uses occurs, efforts are needed to develop new opportunities for public hunting. Solutions include development of new land use partnerships in which hunting becomes available on private lands, lease or purchase of new lands to set aside for hunting, and increased efforts to incorporate public hunting into ungulate control programs. The Department will continue to seek private and public funding to acquire more hunting areas or open access to landlocked areas.

Conflicts in the urban-game animal interface pose special challenges to develop solutions that will alleviate the conflicts while avoiding unnecessary killing or waste of game resources, and allowing for participation by the hunting community. The Department began a pilot project recently for the Manoa and Tantalus areas, which brought



government, communities, and hunters together to work toward solutions to the problems. While the project requires extensive outreach to facilitate the actions needed, the work has been successful and will continue in the present year. The methods developed by this pilot project are expected to provide a model for the development of similar projects as conflicts arise in other areas. Getting community buy-in for a hunting approach is critical.

As native resource conservation programs achieve their objectives to control and remove ungulates, opportunities for hunting will decrease in many areas. Work in the coming year will focus on a pilot project for the development of a game management plan for the Island of Hawaii, and updates and revisions to the Department's hunting rules.

iii. Facilities improvements.

The department is requesting CIP funding for construction of composting toilets on Mauna Kea and to construct and install additional informational and natural hazard warning signs on trails and roads statewide. These improvements will provide basic sanitation facilities for increasing demand for outdoor recreation on Mauna Kea. The informational and natural hazard warning signs will bring state trails and off-highway roads up to standard for adequate warnings and public safety.

- b. Identify any program issues or problems that have affected or will affect the implementation of the program, and the corrective measures or remedies established or planned.

The requests for conversion of 3 positions to a higher class and two CIP projects if being made for Special funds. The request requires additional Special fund revenue which will be obtained from the commercial trails program for the position conversions, and grants or other sources of revenue will be sought for funding the CIP projects. If other grants are not obtained, it will not be possible to implement the improvements proposed for the CIP projects.

4. Expenditures for FY 08:

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restrictions	Estimated Total Expenditures
(Pos. Count)	(42.00)				(42.00)
Personal Services	2,153,640	122,361	0	0	2,276,001
Current Expenses	1,011,023	0	1,065,013	0	2,076,036
Equipment	16,386	0	0	0	16,386

Motor Vehicles	25,500	0	0	0	25,500
<hr/>					
(Pos. Count)	(42.00)				(42.00)
Total Requirements	3,206,549	122,361	0	0	4,393,923
Less:					
(Pos. Count)	(3.50)				(3.50)
Special Funds	554,877	10,786	0	0	565,663
(Pos. Count)	(3.50)				(3.50)
Federal Funds	541,066	4,957	1,065,013	0	1,611,036
(Pos. Count)	(35.00)				(35.00)
General Funds	1,504,967	44,772	0	0	1,549,739
(Pos. Count)	(0.00)				(0.00)
Revolving Funds	605,639	61,846	0	0	667,485

a. Explanation of all transfers within the Program I.D. and its impact on the Program

The Federal Fund ceiling was increased by \$1,065,013 to incorporate a steady increase in federal funding available for the Wildlife Restoration Program and from the Recreational Trails Program.

b. Explanation of all transfers between Program I.D. and the impact to the Program

None

c. Restrictions and their impact on the Program

None

5. Supplemental Budget Requests for FY 2008 - 2009

	<u>Appropriation Act 213/2007 FY 2008-09</u>	<u>Budget Adjustment FY 2008-2009</u>	<u>Supplemental Request FY 2008-2009</u>
(Pos. Count)	(43.00)	(3.00)	(46.00)
Personal Services	2,191,483	22,458	2,213,941
Current Expenses	1,311,023	0	1,311,023
Equipment	16,386	0	16,386

Motor Vehicles	25,500	0	25,500
(Pos. Count)	(43.00)	(3.00)	(46.00)
Total Requirements	3,544,392	22,458	3,566,850
Less:			
(Pos. Count)	(3.50)	(3.00)	(6.50)
Special Funds	554,877	22,458	577,335
(Pos. Count)	(3.50)	(0.00)	(3.50)
Federal Funds	841,066	0	841,066
(Pos. Count)	(36.00)	(0.00)	(36.00)
General Funds	1,542,810	0	1,542,810
(Pos. Count)	(0.00)	(0.00)	(0.00)
Revolving Funds	605,639	0	605,639

a. Workload Or Program Request

- i. Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed Program.

Conversion of 3.0 Temporary budgeted General Laborers I's to 3.0 Permanent Forestry Worker II's is necessary to provide for the positions to work independently of supervision to increase program efficiency. General Laborer positions can only function as part of a field crew under direction of a crew supervisor. This conversion to a Forestry Worker II position enables the positions to work independently on trail assignment projects and increases the efficiency of the workforce. Converting positions from temporary to permanent at a higher level will help with retention of the workforce. Positions currently come in on a temporary basis and move to a permanent higher level job at first opportunity. Converting positions to permanent at a higher level will provide for greater continuity in the program and help retain trained, skilled and experienced workers in the trails program.

The source of funds for these positions is Special funds from Transit Accommodation Tax revenue. The Division current receives \$100,000 per year from this funding source to help maintain and enhance appearance and public safety on high-visitor use trails. The request requires additional funding of \$22,458. The current \$100,000 in TAT funds does not fully cover the salaries for these three positions and the difference in salaries will be obtained from other special fund revenue sources.

- ii. Listing/description of positions requested, and funding requirements by cost category and source of funding.

<u>Position</u>	<u>Status</u>	<u>Funding</u>	<u>MOF</u>
Redescribe (3) General Laborer I positions (Position Nos. 116967, 116968, 117719) to Forestry Worker II positions and convert from temporary to permanent status.	(3.00) (T) 3.00 (P)	\$22,458	B

iii. For all lump sum requests, provide a detailed breakout indicating specific purposes for all planned All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant

None

b. Identify restrictions carried over from FY 07 as well as additional reductions due to the Department of Budget and Finance's budget ceilings for FY08 and FY09.

None

6. Program Restrictions:

None

7. Capital Improvement Program (CIP) requests for FY09.

a. See Appendix A

8. Proposed lapses of CIP projects

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure: 08 02 02

Program ID and Title: LNR 805 - Recreational Fisheries

I. Introduction

A. Summary of Program Objectives

The program seeks to balance consumptive uses (recreational, and subsistence fishing) and non-consumptive uses (diving, snorkeling, photography, nature study) of aquatic resources, while at the same time seeking to preserve the integrity of the natural environment through active research, management, collaboration, and education and outreach.

B. Description of Program Objectives

Program objectives are to support and assist in the wise use of and the long-term sustainability of Hawaii's fishery resources and other aquatic life for the benefit of Hawaii's people and its visitors through research, outreach, collaboration, and management.

1. Administering State participation in the Federal Aid in Sport Fish Restoration program of the U. S. Fish and Wildlife Service.
2. Monitoring marine and freshwater aquatic resources to protect fish stocks and improve opportunities for recreational fishing.
3. Gathering and interpreting data on fishing effort and catches from recreational fishers.
4. Maintaining and enlarging artificial reefs on barren grounds at Waianae, Maunalua Bay, and Ewa (deep water) on Oahu and Keawakapu on Maui; investigating the potential for new artificial reef sites around the State.
5. Managing Wahiawa and Nuuanu, Kokee and Wailua, and Waiakea Public Fishing Areas on Oahu, Kauai, and Hawaii respectively.
6. Managing the Waikiki-Diamond Head Shoreline Fisheries Management Area and other Fisheries Management Areas.

7. Culturing and stocking freshwater gamefishes such as channel catfish and rainbow trout in public fishing areas.
  8. Conducting biological studies of native freshwater species and of gamefish species in public fishing areas for management purposes.
- C. Explain how the Program intends to meet its objectives in the upcoming supplemental year

The Department manages the State's aquatic resources through a variety of projects that include fishing regulations, fisher licensing, catch reporting, field monitoring, public education, and culture research. This enables the Department to manage the State's aquatic resources, both freshwater and marine, to ensure their wise, long-term, use by the people of Hawaii and its visitors.

New regulations are in place for improving the use of lay nets to catch fish and avoiding impacts to threatened/endangered species, establishing a new management area at Milolii, (Hawaii); changing regulations at Kahului Harbor (Maui), Kahekili (Maui), West Hawaii, and other regulations to manage conflicts, improve fishing, and better manage fishing gears currently in use. More and better recreational fishing opportunities are expected in the near future, due to recent changes to administrative rules granting the flexibility to schedule open seasons for trout fishing at Kokee, Kauai (relative to public demands), and a new public fishing area in Wailua, Kauai.

In addition to the commercial fishing information, recreational fishing data is needed to provide a more complete idea of total fishing effort. Improving the collection of recreational fishing information through the Hawaii Marine Recreational Fishing Survey will help us obtain more complete information on the total impact of commercial and recreational fishing on the state's marine resources.

Bottomfish are deep-sea fish that are an important source of seafood to many fishers and businesses. The Department established a statewide system of bottomfish restricted fishing areas in 1998 and has revised them to help rebuild their populations. Research and monitoring bottomfish habitats and catches will enable us to evaluate the areas effectiveness in improving fish populations and provide better fishing opportunities. Collection of multi-beam sonar mapping data has now been completed for the main Hawaiian Islands, allowing more accurate determination of the structure and extent of essential fish habitat for these deepwater species.

The Department works with several federal resource agencies, and non-governmental agencies to develop partnerships and management measures that are mutually beneficial, while sharing manpower and information to maximize

limited personnel and budgets. This enables us to ensure the resource's wise, long-term, use by the people of Hawaii and its visitors.

1. The U. S. Fish and Wildlife Service, US Department of Interior who administers the Federal Aid in Sport Fish Restoration program and
2. The National Marine Fisheries Service, US Department of Commerce, who administers the Endangered Species Act and other programs.

The Department is taking steps towards applying for an Incidental Take Permit issued by the National Marine Fisheries Service to address endangered species interactions under the Endangered Species Act. Recreational fishing activity has had negative impacts to monk seals and sea turtles, and by law these impacts must be formally addressed.

The Department operates and maintains the Statewide Fish Aggregation Device (FAD) System to assist fishers find and catch valuable marine fish species and provide better fishing opportunities.

The Department maintains and enlarges artificial reefs on barren grounds at Waianae, Maunalua Bay, and Ewa (deep water) on Oahu and Keawakapu on Maui; investigating the potential for new artificial reef sites around the State, to improve fish populations and provide better fishing opportunities.

The Department develops culture techniques for mullet, moi, and other important native species to supplement and improve naturally occurring fish populations.

To provide better fishing opportunities, the Department cultures and stocks freshwater gamefishes, such as channel catfish and rainbow trout, into public fishing areas.

The Department conducts biological studies of native freshwater species and stocked gamefish species in public fishing areas to assess aquatic resource populations.

## II. Program Performance Results

### A. Discuss the performance results achieved by the Program in FY '07 and '08

A program consolidation was proposed, as a result of an administrative directive to consolidate programs where appropriate, to simplify budgetary program reviews. Subsequent effort involved document preparation to reflect the consolidation of two fisheries programs (recreational and commercial). This consolidation was submitted as part of the administration's budget during the 2007 Legislature. However the Legislature disagreed with the consolidation and instead granted an additional management position to assist in managing the commercial fisheries program as a stand-alone program.

The Department continued to revise its administrative rules on fishing. Specifically, lay gill nets have been restricted in use and banned in some areas (total ban on the island of Maui). Further, rules revising fishing for rainbow trout in Kokee, Kauai were completed as well as rules establishing a new public fishing area at Wailua, Kauai.

The State attempted to maximize its full appropriation of Federal Aid in Sport Fish Restoration funds during the two fiscal years and continued to expand our artificial reefs using donated services and materials to serve as in-kind match for Federal funds. Stocking programs of the gamefishes channel catfish and rainbow trout raised at the Anuenue Fisheries Research Center continued at Nuuanu and Kokee, respectively, with volunteer time at both public fishing areas providing the match for federal funds. A stocking program for largemouth bass in the Wahiawa Public Fishing Area has been implemented through a partnership program with the Wahiawa Intermediate School, where a hatchery was constructed with federal funds, again matched by volunteer time and contributions. A similar partnership is being envisioned for the future Wailua Reservoir on Kauai, where new administrative rules establishes a new public fishing area at this reservoir.

A stock enhancement for mullet has continued in Hilo, and small-scale experimental releases of moi have been conducted on Oahu. A voluntary papio/ulua tagging project has continued on all the Main Hawaiian Islands with recreational fishers tagging and recovering fish with materials and protocols provided by the State. A database has been established that already is providing significant information on growth and movements of these important species. Research activities are continuing on Hawaii's unique native stream biota, again with the bulk of support coming from federal funds. The State's first e-commerce service for on-line licensing and permits involving transactions on the Access Hawaii (eHawaiiGov) web site for the freshwater game fishing license has proven successful.

The Department and the National Marine Fisheries Service (NMFS) continue to collect marine recreational fishing effort data, administered through the Hawaii Marine Recreational Fishing Survey (HMRFS). Data are being collected through the Marine Recreational Fishery Statistics Survey (MRFSS), which has been conducted in the continental U.S. since 1979. The Division of Aquatic Resources (DAR) is now collecting catch and effort data at various sites around the State. Access sites are distributed among shoreline, private boats at boat ramps. DAR is providing staff and base level funding to support HMRFS sampling in Hawaii. Its experience and knowledge of local recreational fisheries will help to maximize the efficiency of HMRFS in Hawaii. NMFS will contribute funds to increase sample size and coverage as well as provide administrative experience and statistical support to DAR. These data are critical to filling a huge gap in the fundamental knowledge needed to manage nearshore recreational fisheries.



B. Explain how these results relate to the Program's Objectives and Department's Mission

The management and wise use of Hawaii's aquatic resources, manifests itself in the above-described efforts. The program's objective is to provide sustainable recreational opportunities whether it be for fishing or viewing. Stocking of gamefishes in public fishing areas provides additional fishing success for the fishing public as well as to increase the fish populations, helping to increase the stock's numbers, overall. Tagging of gamefish, especially the papio/ulua has demonstrated a unique collaboration between the agency and the recreational angler – no longer are the fishermen eager to deposit their catch in their coolers, but release the fish (after tagging them) so that they may learn more about the fish's habits, and in doing so, practice conservation.

C. Explain how the effectiveness of the Program is measured and discuss the performance results achieved during the past two years

Performance of the statewide Recreational Fisheries Program is exhibited by the popularity, the amount of public participation at public fishing areas such as Kokee, Nuuanu, and Lake Wilson. In the reporting period, not only have the fishing rules for the Kokee trout fishery changed to accommodate public demand, a new public fishing area has been added (Wailua, Kauai) which has the potential to not only increase the public's enjoyment of fishing opportunities, but to also interface with schools for lessons in culture and game fish management. The papio/ulua tagging program now works with over 1,300 volunteer fishermen. Demand for publications, informational booklets and posters, public service announcements, news releases, media interviews, etc. remain high. Performance results during the past two years is also described in IIA .

D. Discuss actions taken by the Program to improve performance results

The following rule packages have the initial approval by the Board of Land and Natural Resources and will be taken to public hearings: 1.) a new rule governing size and bag limits for opihi statewide; and 2.) a rule seeking to mitigate user conflicts at Kahului Harbor on Maui. Additional rules are in advanced stages of development regarding catch reporting and inspection in the bottomfishery; size and bag limits; a subsistence fishing area at Milolii, Hawaii; and an herbivorous fishes management area for control of invasive marine algae on west Maui.

E. Identify all modifications to program's performance measures and discuss the rationale for these modifications

As discussed in IIA, the administration had directed a consolidation effort for two programs, commercial and recreational fisheries. This was proposed to the Legislature during the 2007 session. As such, reports previously submitted were characterized by a modification of performance measures, consolidating them

where applicable. However this proposal was opposed by the Legislature and the current measures have reverted to that of the pre-consolidation program.

### III. Problems and Issues

#### A. Discussion of Problems and Issues Encountered

Hawaii's aquatic resources are famous worldwide. Our economy derives hundreds of millions of dollars annually from visitors attracted to, and fisheries supported by, our 750 miles of coastline (fourth longest among the states), more than 400,000 acres of coral reefs around the main Hawaiian Islands alone, nearly 3 million acres of State marine waters, more than 565 million acres in the Fishery Conservation Zone (within the 200-mile limit) around us. Our 376 perennial streams support plants and animals found nowhere else on earth. We know that the fish populations and other living biota within these regions have been severely depleted, but there still is a prevailing belief in much of the population that these living resources are virtually inexhaustible, need little regulation, and should remain free-for-the-taking.

Clearly we need to be able to define and quantify these resources, understand how they are changing, and accomplish this under the umbrella of species and habitat interrelationships to a much higher degree than has been possible to date. As a priority step we need much better information about the take of fish by recreational and commercial users. And we need greater support to correct those problems which have been recognized: declining nearshore fisheries, depleted stocks of deepwater bottomfish, damage to coral reef communities due to overfishing, sediment loading, alien species invasions, excessive "nonextractive" recreation, and support for a recreational fishing license system that will help to provide such data. Healthy reef communities and their associated fish populations are attractions vital to the State's visitor industry and are at the heart of the local lifestyle for Hawaii's residents. Increasing resident and visitor populations are placing ever greater strain on these resources, and there needs to be a concomitant acceptance of responsibility by the State to assure that the equity in these resources is protected for future generations.

Public fishing areas such as the Nuuanu Reservoir and Wahiawa Reservoir (Lake Wilson) on Oahu, Kokee on Kauai, and Waiakea Pond on Hawaii continue to be immensely popular with Hawaii's recreational fishermen. There is a demand for more opportunities that is restricted by budget and manpower limitations. This is exacerbated by a new development: dam safety. The public fishery for at least two reservoirs (where dams are concerned) may be adversely impacted should there be a decision to breach the dam walls in the interest of public safety.

Public concern for and sensitivity to the aquatic environment is evidence of the public's high overall demand for quality resources. Balancing this is the need to use these resources to accommodate an increasing human population and

robust economic growth causing an unrelenting pressure on all natural resources. Ever increasing demand on seafood, resident and activity-oriented visitor populations, development of coastal lands, increasing affluence and leisure time, technological advances, and growing competition among users of aquatic habitats, continue to increase pressures on fishery stocks placing certain resources at risk of habitat loss, over-fishing and depletion.

B. Program Change Recommendations to Remedy Problems

An increase in the expenditure ceiling for federal funds is proposed. Federal funds from the U.S. Fish and Wildlife Sport Fish Restoration Program would be used to support control/eradication of exotic freshwater alien pest species and for a survey of the diversity and abundance of marine fishes targeted by fishers in marine managed areas.

C. Identify any program issues or problems that have affected or will affect the program's implementation and any corrective measures or remedies established or planned

The State's recreational fishery resources are under intense pressure from increasing human population in the State; increased demand for seafood; increased leisure demands that affect aquatic resources; increasing user conflicts in regard to those resources; increased impacts to aquatic resources from fishing, pollution, environmental degradation, invasive species and climate change; and increasing competition for control of the resources themselves. Without a change in or clarification of priorities, addressing these stresses will be a continuing uphill battle. Education is key, and a greater proportion of effort is being expended in this respect. Other than this, the Division will continue to allocate funds and manpower as requested and focus on problems of greatest apparent urgency, such as aquatic invasive species.

Aquatic ecosystems are complex and scientists still do not know exactly how all living things interrelate. This fact, coupled with limited resources for research and outreach, means that management of these species will inevitably be less refined than desirable for the foreseeable future. Despite this, the program strives to maintain a base level of services, attempting to be creative and to develop within current constraints expanded and enhanced services, and more effective management regimes. Nonetheless, even with significant federal assistance and external funding arrangements, there is no substitute for a commitment to core funding for support of priority and long-term needs. As long as it continues to receive only one percent or so of the State's total budget, the Department will remain perennially in a catch-up mode in terms of protecting the State's greatest natural, community and economic asset – its natural resources.

IV. Projected Expenditures for Fiscal Year 2007-2008

	Appropriation Act 213/2007 FY 2007-08	Collective Bargaining	Transfer In Transfer (Out)	Governor's Restriction s	Estimated Total Expenditures
(Pos. Count)	(7.00)				(7.00)
Personal Services	464,573	35,416	0	0	499,989
Current Expenses	661,267	0	561,670	0	1,222,937
Equipment	0	0	0	0	0
Motor Vehicles	0	0	0	0	0
(Pos. Count)	(7.00)				(7.00)
Total Requirements	1,125,840	35,416	561,670	0	1,722,926
Less:					
(Pos. Count)	(0.00)				(0.00)
Special Funds	75,575	703	0	0	76,278
(Pos. Count)	(0.00)				(0.00)
Federal Funds	811,625	5,695	561,670	0	1,378,990
(Pos. Count)	(7.00)				(7.00)
General Funds	238,640	29,018	0	0	267,658

A. Explanation Of All Transfers Within the Program I.D. And Its Impact On The Program

More federal funds became available than originally estimated. The additional funds (\$561,670) are being used on projects to expand the artificial reefs (\$137,500), study ulua resource assessment (\$82,500), survey of fish and habitat areas (\$258,000), control/eradication of exotic freshwater aquatic organisms (\$33,750) and the Hawaii Marine Recreational Fishing Survey (\$49,920).

B. Explanation Of All Transfers Between Program I.D. And The Impact To The Program

None

C. Restrictions And Their Impacts On The Program

None

V. Supplemental Budget Request FY 2008-2009

	Appropriation Act 213/2007	Budget Adjustment	Supplemental Requests
	<u>FY 2008-09</u>	<u>FY 2008-2009</u>	<u>FY 2008- 2009</u>
(Pos. Count)	(7.00)	(0.00)	(7.00)
Personal Services	464,573		464,573
Current Expenses	661,267	206,200	867,467
Equipment	0	0	0
Motor Vehicles	0	0	0
(Pos. Count)	(7.00)	(0.00)	(7.00)
Total Requirements	1,125,840	206,200	1,332,040
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds	75,575		75,575
(Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	811,625	206,200	1,017,825
(Pos. Count)	(7.00)	(0.00)	(7.00)
General Funds	238,640		238,640

- A. Workload Or Program Request (Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding)

The ceiling increase in federal funds (\$206,200) would support a new project obtaining data on the diversity and abundance of marine fish species targeted by recreational fishers in marine managed areas (\$172,500) and to continue the study on the effectiveness of introducing pike killifish (*Belonesox belizianus*) as a biological

control or eradication agent of exotic topminnows in brackish water ponds (\$33,700).

	<u>MOF</u>	<u>Personal Services</u>	<u>Other Exp.</u>
Ceiling Increase	N	0	206,200
Totals			206,200

B. For All Position Count Reductions, Please Specify Whether The Positions Were New, Filled Or Vacant

None

VI. Identify Restrictions Carried Over From FY 2007-2008 As Well As Additional Reductions Due To The Department Of Budget and Finance's Budget Ceiling For FY 2008-2009

None

VII. Capital Improvement Projects Requests For Fiscal Year 2008-2009

None

VIII. Proposed Lapses of Capital Improvement Program Projects

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

**January 18, 2008**

Program Structure Number: 08 02 03

Program I.D. and Title: LNR 806 – Parks Administration and Operation

Page References in Multi-Year Program and Financial Plan:

**I. Introduction:**

**A. Summary of Program Objectives**

To enhance the park program for the public by providing statewide administrative services, formulating overall policies and plans, determining future needs for state parks and Federal Land and Water Conservation Fund supported activities, presenting interpretive programs that enhance appreciation of part heritage values, and managing the natural, cultural and recreational resources in the parks for future generations. To provide safe and enjoyable recreation opportunities for the public by developing and operating state parks.

**B. Description of Program Objectives**

The program is responsible for planning, construction, and management of all existing parks and protecting its resources. Its activities are to:

1. Carry out capital improvement projects
2. Protect and sustain the natural and cultural resources
3. Repair and maintain park facilities and historic sites
4. Operate camping, lodging, picnic and other recreational facilities
5. Issue park use permits
6. Provide public information
7. Administer grant-in-aids
8. Administer the Federal Land and Water Conservation Fund (LWCF) Grant Program and Statewide Recreational Plan

**C. Explain How Your Program Intends to Meet Its Objectives In the Upcoming Supplemental Year.**

The program is requesting additional general funds of \$47,304 to supplement lifeguard services at Kaena Point State Park on Oahu; special funds of \$300,000 for modifications to streamline the State Parks Reservation and Visitor Information System (SPRVIS) permit process to be online by 2010; increasing the special fund ceiling an additional \$1,800,000 to allow the expenditure of Transient Accommodation

Tax (TAT) funds from Hawaii Tourism Authority's (HTA) special fund; and CIP funds of \$5,250,000 for statewide park improvements (\$5,000,000) and energy efficiency and retrofit improvements (\$250,000). These requests will assist the program to meet its objectives, improve and expand its services to the public, and help prioritize and maximize its limited manpower and resources.

## **II. Program Performance Results:**

### **A. Discuss the Performance Results Achieved in FY 2007.**

The program continued to maintain its parks and facilities for use by the vast numbers of visitors and residents; planned and implemented numerous improvements to facilities and infrastructure systems that were deteriorating from natural factors and property damage; removed barriers and made improvements for ADA compliance and public safety.

The program has been utilizing The Hawaii Tourism Authority (HTA)'s "Natural Resources Assessment" study and Hawaii State Park Survey conducted in February 2004 to address park use and develop ways to increase visitor satisfaction with recreational opportunities and resource management.

### **B. Explain How These Results Relate to the Program's Objectives and Department's Mission.**

The program has used its limited staff and resources to preserve and protect Hawaii's natural, cultural and scenic resources and to provide a clean, safe and enjoyable environment for park visitors.

### **C. Explain How the Effectiveness of the Program is Measured (i.e.: Outcomes, Measures of Effectiveness, Benchmarks, etc.) and Discuss the Performance Results Achieved During the Past Two Years.**

The performance measures represent the diversity of park activities. The increases in population and tourism have placed greater demands on recreational facilities and resources. While revenue is anticipated to increase due to the transfer of TAT funds, there will be reductions in other revenue sources due to the termination of restaurant concession contracts and unresolved recreational lease issues. CIP projects are being projected in the out years to continue much needed improvement to park facilities and infrastructures to meet current environmental and accessibility standards and ensure public health and safety.

### **D. Discuss the Actions Taken by the Program to Improve Its Performance Results.**

Park improvements and repairs and maintenance continue to be a challenge due to the loss of positions and funds over the years. The program is requesting additional



general and special funds to improve and expand its services to the public by computerizing its permitting system for online access by 2010; providing lifeguard services at Kaena Point State Park; utilizing available TAT funds to improve park facilities and infrastructure statewide. The program is also requesting an additional \$5.25 million in CIP funds for park improvements and energy efficiency measures. The program has utilized HTA's past study and survey to provide guidance and direction in making numerous improvements to state parks.

**E. Identify All Modifications to the Program's Performance Measures and Discuss the Rationale for These Modifications.**

The Measures of Effectiveness were revised to more accurately reflect relevant and consistent data. "Revenue Increases (%)" was added to show the gain or loss of income being derived from new and existing commercial concessions being permitted in the State Parks system. The Target Group was adjusted to show the numbers of visitors and residents in Hawaii. The Program Activities were expanded to include the "No. of Park Visitors", "No. of Improvement Projects Completed", "No. of Permits Issued Statewide", and "No. of Interpretive Devices Installed". These additions quantify some of the ongoing park activities and its impact on operations, facilities, and resources.

**III. Problems and Issues:**

**A. Discussion of Problems and Issues Encountered, If Any**

The program is responsible for 69 state parks and other areas of responsibility on five major islands. They encompass over 27,000 acres ranging from landscaped grounds with developed facilities to wildland areas with trails and primitive facilities. The abolishment of positions and loss of funds over the years have impacted the program's ability to properly service the parks year round, seven days a week; address repairs and maintenance (R & M), infrastructure improvements, ADA requirements, vandalism and illegal activities occurring after parks are closed; comply with federal and State laws relating to water and waste treatment systems; and meet increases in utility fees (water, sewage, electrical). The HTA survey revealed that an estimated 9.2 million visitors go to the various parks and while visitor satisfaction was high on natural resource attributes, it was lowest on facilities, particularly restrooms, availability of food concessions, and security.

The reduction in revenue due to termination of restaurant concession contracts and unresolved recreational lease issues has resulted in the inability to establish and fill special funded positions.

**B. Program Change Recommendation to Remedy Problems**

The program requires sufficient staffing to address daily repairs and maintenance at

the various parks, help remedy health and safety issues, and be able to service the public more efficiently. The budget request includes additional funds to supplement lifeguard services at Kaena Point State Park on Oahu; modify and streamline the State Parks permitting process to be online by 2010; increase the special fund ceiling to allow for the expenditure of TAT funds; and implement park improvements and energy efficient measures statewide.

**C. Identify Any Program Issues or Problems That Have Affected or Will Affect the Implementation of the Program, and the Corrective Measures or Remedies Established or Planned.**

The lack of staffing and funds for repairs and maintenance has had a negative effect on efforts to improve park facilities and infrastructure. The supplemental budget funds being requested to improve park services, facilities and will help to improve park conditions and visitor satisfaction.

**IV. Projected Expenditures for Fiscal Year 2007-2008**

	<u>Appropriation Act 213/2007 FY 2007-08</u>	<u>Collective Bargaining</u>	<u>Transfer In Transfer (Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditures</u>
(Pos. Count)	(131.00)				(131.00)
Personal Services	5,348,916	177,333	0	0	5,526,249
Current Expenses	7,324,207	0	0	0	7,324,207
Equipment	350,000	0	0	0	350,000
Motor Vehicles	285,000	0	0	0	285,000
(Pos. Count)	(131.00)				(131.00)
Total Requirements	13,308,123	177,333	0	0	13,485,456
Less:					
(Pos. Count)	(41.00)				(41.00)
Special Funds	5,534,701	77,136	0	0	5,611,837
(Pos. Count)	(0.00)				(0.00)
Federal Funds	1,218,456	-	0	0	1,218,456
(Pos. Count)	(90.00)				(90.00)
General Funds	6,554,966	100,197	0	0	6,655,163

**A. Explain all Transfers Within the Program I.D. and the Impact on the Program.**

None.

**B. Explain all Transfers Between Program I.D.'s and the Impact to the Program.**

None.

**C. Explain Any Restrictions and the Impacts on the Program.**

None.

**V. Supplemental Budget Request FY 2008-2009**

	<u>Appropriation Act 213/2007 FY 2008-09</u>	<u>Budget Adjustment FY 2008-2009</u>	<u>Supplemental Requests FY 2008-2009</u>
(Pos. Count)	(131.00)	-	(131.00)
Personal Services	5,349,414	-	5,349,414
Current Expenses	6,561,286	2,147,304	8,708,590
Equipment	350,000	-	350,000
Motor Vehicles	285,000	-	285,000
(Pos. Count) Total Requirements	(131.00) 12,545,700	- 2,147,304	(131.00) 14,693,004
Less:			
(Pos. Count) Special Funds	(41.00) 5,221,780	(0.00) 2,100,000	(41.00) 7,321,780
(Pos. Count) Federal Funds	(0.00) 1,218,456	(0.00) 0	(0.00) 1,218,456
(Pos. Count) General Funds	(90.00) 6,105,464	(0.00) 47,304	(90.00) 6,152,768

**A. Workload or Program Request**

- 1. A brief description of the request, the reasons for the request, and the desired outcomes or the objectives to be accomplished by the proposed program.**

This request includes \$300,000 in special funds to modify and streamline the State Parks permitting system to automatically interface with the department's fiscal and accounting programs, provide secure information online to DOCARE for enforcement purposes, and enable the public to access permits online by 2010; an additional \$47,304 in general funds to supplement lifeguard services at Kaena Point State Park on Oahu; a one-time increase in the State Parks Special Fund ceiling to allow the expenditure of \$1,800,000 in TAT funds from HTA's tourism special fund pursuant to Section 237D-6.5(b), HRS; and \$5.25 million in CIP funds for improvements to park facilities and infrastructure (\$5,000,000) and energy efficiency measures and facility retrofits in parks statewide (\$250,000). These requests will improve services to the public, park facilities and conditions, and visitor enjoyment and satisfaction.

- 2. A listing/description of the positions requested, and funding requirements by cost category and source of funding.**

None.

- 3. For all lump sum requests, a detailed breakout indicating specific purposes for all planned expenditures.**

None.

**B. For All Position Count Reductions Specify Whether the Positions were New, Filled, or Vacant.**

Not applicable.

**VI. Program Restrictions**

**Identify Restrictions Carried Over From FY 08 As Well As Additional Reductions Due to Department of Budget and Finance Budget Ceilings for FY 09.**

None.

**VII. Capital Improvement Requests for FY 09**

See Appendix A.

**VIII. Proposed Lapses of CIP Projects**

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUEST FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 09 02 01

Program I.D. and Title: LNR 810 - Prevention of Natural Disasters

1. Introduction

a. Summary of Program Objectives

To minimize death, injury, disability, property damage and economic losses resulting from natural disasters through activities related to floodplain management and the regulation of dams and reservoirs.

b. Description of Program Objectives

- 1) Coordinate flood prevention and develop flood control projects by maintaining the General Flood Control Plan for Hawaii.
- 2) Prepare post-flood reports including the description of storms, extent of flooding and flood damages.
- 3) Assist counties in qualifying for Federal projects and funding.
- 4) Administer the National Flood Insurance Program (NFIP) in the State of Hawaii. Work with the counties to ensure that new construction is built in compliance with NFIP regulations and local floodplain management ordinances.
- 5) Conduct public outreach and education about the National Flood Insurance Program and FEMA mapping efforts.
- 6) Maintain and continually update an inventory of dams in the State.
- 7) Inspect dams and reservoirs at least once every five years.
- 8) Regulate the construction of new dams and reservoirs and/or modifications or abandonment of existing dams and reservoirs.
- 9) Assist dam owners to mitigate emergencies resulting from their dams or reservoirs.

10) Conduct dam safety public awareness workshops on current information on dam safety.

11) Provide technical support to State, Federal and private dam owners.

c. How Program Intends to Meet its Objectives Within the Upcoming Fiscal Year

Public education is key to flood awareness and prevention. The program intends to continue its public outreach through technical assistance, publications, workshops and displays. The dam safety program will proceed with dam safety inspection program, continue with technical assistance to dam owners, coordinate with owners and other government agencies for emergency response and process dam safety permits.

2. Program Performance Results

a. Performance Results Achieved in FY 2007

The flood unit program promoted the NFIP in the state through quarterly newsletters, attendance at the Building Industry Association (BIA) exhibition show, and through the production of the Hawaii Floodplain Managers Conference. Other NFIP tasks conducted during FY2007 was Community Assistance Visits and inspections of various coastal properties for compliance with floodplain management regulations. In keeping with the program's objective to conduct public outreach and awareness, the flood unit has created an internet website ([www.hawaiinfip.org](http://www.hawaiinfip.org)) to promote awareness about the NFIP and post Hawaii specific flood hazard mapping information. The flood unit has also embarked on a project to develop an internet based tool where the public can assess their flood risk. Upon completion of this project, the Flood Hazard Assessment Tool will be deployed through the Hawaii NFIP homepage.

Additionally the flood unit continued partnerships with the US Army Corps of Engineers, US Natural Resource Conservation Service, US Geological Survey, National Weather Service, and the Counties on various flood mitigation projects, studies and early flood warning systems.

The Dam Safety Unit inspected all high hazard dams and almost all other regulated dams following the earthquakes of October 2006. Similarly the program has continued with its inspection and assessment program to verify the condition of dams statewide. The program assisted the legislature in producing updated revisions to the Hawaii Dam Safety Law, which will the program in regulating dam and reservoir structures statewide. The program has also continued with its update of the inventory of regulated dams and has initiated an inventory of unregulated dams. Finally the dam safety program has continued partnerships with the US Army Corps of Engineers, the US Geological Survey, National Weather Service, Pacific Disaster Center and the Counties on dam failure inundation mapping and related dam safety monitoring and warning systems.

b. How These Results Relate to the Program's Objectives and the Department's Mission

The protection of lives and property through the management of flood hazard areas and regulation of dams and reservoirs results in the protection of our natural resources.

c. How the Effectiveness of the Program is Measured and Comparison with Performance Results Achieved During the Past Two Years

Performance measure used for this program is the number of flood or dam incidents resulting in death, injury or property damage.

d. Actions Taken by the Program to Improve Performance Results

The program working to establish and fill positions previously abolished due to budget restrictions. This will result in the increased ability to provide technical assistance and seek/implement flood control or dam safety projects. The program is also working on a proposal to increase application fees for dam construction, modification or removal in order to provide funding to offset costs for services provided.

The program plans to continue to partner with FEMA and participate in the various applicable grant programs to ensure supplemental funding is maintained. The Federal funding, combined with the State General funds are essential to the success of the program.

e. Modifications to Program's Performance Measures and Rationale for These Modifications

None



3. Problems and Issues

a. Discussion of Problems or Issues Encountered by Program

The non-compliance of Federal, State and County agencies with National Flood Insurance Program rules and regulations may jeopardize flood insurance coverage and the availability of FEMA funds for disaster relief. The program works with the various agencies to maintain or work toward compliance.

Along with the need for increasing dam safety regulatory oversight, the Flood Control program will need to increase its assistance to review and assess the flooding potential of dams and reservoirs. This is evident with the increase of potential dam and reservoir closure requests since the Kaloko Dam breach.

b. Program Change Recommendation to Remedy Problems

The program will increase its outreach to provide additional training and education regarding flood and dam rules and regulations.

c. Program Issues or Problems that have Affected or Will Affect the Implementation of the Program, and Corrective Measures are Remedies Established or Planned

The Dam Safety and Flood Control programs have historically been underfunded and understaffed. The Kaloko Dam breach in March 2006 draws attention to the Dam Safety program's staffing and resource limitations. To correct these limitations, the 2006 Legislature authorized two additional engineers for the Dam Safety program, however, the program has encountered difficulties in filling these positions. Additional resources for the program are critical to properly address the flood potential of dams and reservoirs in protecting the public's health, safety and welfare.

4. Projected Expenditures for Fiscal Year 2008

	<u>Appropriation Act 213/07 FY 2007 - 2008</u>	<u>Collective Bargaining</u>	<u>Transfer In/(Out)</u>	<u>Governor's Restrictions</u>	<u>Estimated Total Expenditure</u>
(Pos. Count)	(8.00)				(8.00)
Personal Services	501,574	17,115	0	0	518,689
Current Expenses	347,857	0	0	0	347,857
Equipment	31,000	0	0	0	31,000
Motor Vehicles	30,000	0	0	0	30,000
(Pos. Count)	(8.00)				(8.00)
Total	910,431	17,115	0	0	927,546
LESS:					
(Pos. Count)	(0.00)				(0.00)
Special Funds	0	0	0	0	0
(Pos. Count)	(0.50)				(0.50)
Federal Funds	269,745	641	0	0	270,386
(Pos. Count)	(0.00)				(0.00)
Revolving Funds	0	0	0	0	0
(Pos. Count)	(7.50)				(7.50)
General Funds	640,686	16,474	0	0	657,160

a. Explain all Transfers within the Program I.D. and its Impact on the Program

None

b. Explain all Transfers Within or Between Program I.D.s and Impact on the Program

None

c. Explain Restrictions and its Impact on the Program

None

5. Supplemental Budget Request for FY 2009

	Appropriation Act 213/07 <u>FY 2008-2009</u>	Budget Adjustment <u>FY 2008-2009</u>	Supplemental Request <u>FY 2008-2009</u>
(Pos. Count)	(8.00)	(1.00)	(9.00)
Personal Services	524,667	0	524,667
Current Expenses	345,857	20,000	365,857
Equipment	29,000	0	29,000
Motor Vehicles	0	0	0
(Pos. Count)	(8.00)	(1.00)	(9.00)
Total Requirements	899,524	20,000	919,524
Less:			
(Pos. Count)	(0.00)	(0.00)	(0.00)
Special Funds	0	0	0
(Pos. Count)	(0.50)	(0.00)	(0.50)
Federal Funds	269,745	0	269,745
(Pos. Count)	(0.00)	(0.00)	(0.00)
Revolving Funds	0	0	0
(Pos. Count)	(8.50)	(0.00)	(8.50)
General Funds	629,779	20,000	649,779

a. **Workload or Program Request**

(1) **Flood Control Program Consultant Services**

i. **Description of Request, Reason for Request, Desired Outcomes or Objectives to be Accomplished**

This request for \$20,000 to update and maintain the General Flood Control Plan for Hawaii, as mandated by HRS Chapter 179, to aid in documenting significant and/or recurring flooding problems statewide. Regular updates of the Plan will allow the program to further investigate and/or develop projects or partnerships to mitigate flooding conditions.

ii. **Listing/Description of Positions Requested, Funding Requirements by Cost Category and Source of Funding**

<u>Position/ Category</u>	<u>FY09</u>	<u>Source of Funds</u>
Current Expenses	\$20,000	General

- iii. For Lump Sum Requests, Provide Detailed Breakout Indication Specific Purposes for All Planned Expenditures

None

- (2) Conversion of Temporary Position to Permanent

- i. Description of Request, Reason for Request, Desired Outcomes or Objectives to be Accomplished

Conversion of temporary, general-funded Information Technology Specialist III position to permanent status is requested to support both the flood control and dam safety units with development and maintenance of GIS, computer and website applications to provide information and technical assistance to the public and other agencies. Position was originally funded by Federal funds, but was converted to general funds in FY08 to allow the continued updating of electronic flood mapping designations beyond the Federal grant funding.

- ii. Listing/Description of Positions Requested, Funding Requirements by Cost Category and Source of Funding

<u>Position</u>	<u>FY09 Adjustment</u>	<u>Addl Funds Requested</u>
ITS III (Temporary)	-(1.00)	0
ITS III (Permanent)	(1.00)	0

- iii. For Lump Sum Requests, Provide Detailed Breakout Indication Specific Purposes for All Planned Expenditures

None

- b. For Positions Count Reductions, Specify as New, Filled or Vacant

None

6. Program Restrictions

Restrictions carried over from FY 2007, as well as additional reductions due to the Department of Budget and Finance's budget ceiling for FY 2008 and FY 2009.

None at this time

7. Capital Improvement Requests for FY 2009

None

8. Proposed Lapses of Capital Improvements Program Projects

None

**SENATE COMMITTEE ON WAYS AND MEANS  
BUDGET REQUESTS FOR SUPPLEMENTAL BUDGET 2008-2009**

January 18, 2008

Program Structure Number: 04 03 02

Program I.D. and Title: LNR 906 - Natural and Physical Environment

**I. Introduction**

**A. Summary of Program Objectives**

To assure and promote the preservation of the physical environment of the State by formulating policies, allocating resources, administering operations and personnel, and disseminating information, which supports program effectiveness and efficiency.

**B. Description of Program Objectives**

This program is responsible for the general administration of the Department of Land and Natural Resources (DLNR) under the Board of Land and Natural Resources (Board). The activities performed under this program include land use and resource planning, resource inventories, personnel and budget management, fiscal control, service and support to administratively attached boards and commissions and acting as liaison with other agencies.

**C. Explanation of How the Program Intends to Meet Its Objectives Within the Upcoming Supplemental Year**

The program will continue to enhance program effectiveness and efficiency by providing directions relating to its area of responsibility in formulating policies that are designed to achieve statewide objectives.

**II. Program Performance Results**

**A. Discuss the Program Performance Results Achieved in Fiscal Year (FY) 2007**

1. Over the past year, DLNR has begun to implement the Hawaii Ocean Resources Management Plan (ORMP) to improve overall protection and management of Hawaii's natural and cultural resources.

The 2006 ORMP charts a new course of action that calls for a change in the way we manage our natural and cultural resources. Building on traditional Hawaiian management principles and lessons from past efforts, the ORMP illustrates the need to move toward integrated and place-based approaches to resource

management. The ORMP is based on three important perspectives, which the department is incorporating into its everyday practices.

#### Perspective 1 - Connecting Land and Sea

Careful and appropriate use of the land is required to maintain the diverse array of ecological, social, cultural, and economic benefits we derive from sea. The Department continues to focus on land management to improve the quality of coastal areas and the marine environment. Existing efforts to reduce land-based sources of pollution from all land uses will be continued and strengthened with targeted assistance in priority watersheds. The Department continues to develop new measures to protect beaches and shoreline areas from coastal erosion, not only to preserve beaches but also to protect human life and our economy.

#### Perspective 2 - Preserving Our Ocean Heritage

A vibrant and healthy ocean environment is the foundation for the quality of life valued in Hawai'i and the well being of its people, now and for generations to come. The department continues to make priority actions at sea to improve the quality of the marine environment. Efforts to reduce pollution from sea-based sources continue and will continue to be strengthened, with added emphasis on stopping the introduction of marine alien species and discharges from commercial vessels in archipelagic waters. The status of coral reef ecosystems is dependent on the implementation of a multi-pronged approach: strengthening and expanding marine protected areas, employing new, ecosystem-based approaches for managing nearshore fisheries, and substantially increasing the capacity for enforcement and voluntary compliance with ocean resource rules and regulations, which the Department continue to work on. Additionally the Department will continue with developing new approaches to manage recreational and commercial uses of our beaches and coastal areas and develop responsible and sustainable ocean-based tourism.

#### Perspective 3 - Promoting Collaboration and Stewardship

Working together and sharing knowledge, experience, and resources will improve and sustain our efforts to care for the land and sea. Increasing pressure on natural resources coupled with a greater understanding of environmental systems have brought to light the need for a more holistic approach to natural resource management. The Department continues to integrate natural resources management approaches, build capacity for community participation and stewardship, and develop legal and policy proposals to institutionalize integrated and collaborative management approaches. As part of a holistic approach, collaborative governance mechanisms are needed to provide greater opportunities for integrated planning and public involvement. Thus the Department has placed an emphasis on place-based collaboration recognizes that natural resource management cannot succeed without acceptance and commitment from community members. In turn, community leaders and resource managers have realized that this approach can save significant time, money, and effort in

developing sustainable, appropriate environmental management plans for their communities.

The ORMP establishes management priorities for the next 5 years to guide the Department as it embarks on this new course of action and continues its effort to move toward integrated and area-based approaches to natural and cultural resources management that require greater collaboration among jurisdictional authorities and catalyze community involvement and stewardship.

2. The Department's total expenditures (all Means of Financing) in FY 2007 were approximately \$155 million compared to \$113 million in FY 2006. In FY 2007 and 2006, the Administrative Services Office processed 5,984 and 6,507 purchase orders, respectively. The decrease in purchase orders is due to streamlining of the procurement process and expanding the use of the Purchasing Card (pCard) program.
3. The Data Processing Office is continuing to increase network connectivity, including remote offices, so that employees are able to benefit from department's network file access, E-mail, Internet and Intranet services. The number of remote offices that are connected to the DLNR network has increased to 37.
4. The Personnel Office is responsible for the provision of major services including recruitment, classification, reorganization, labor relations, training safety, equal employment opportunities, and employee transactions (assistance/benefits and personnel file management). The Personnel Office processed over 4,000 personnel actions in FY 2007. The increase in personnel actions were due to the number of pay increases resulting from negotiated increases in collective bargaining contracts, classification actions processed as a result of reorganization, redescription, and position extension.

**B. Explanation of How These Performance Results Relate to Program's Objectives and Department's Mission**

The performance results indicate the level of support this program provides to the various programs in fulfilling the Department's mission.

**C. Explain How the Effectiveness of The Program is Measured (i.e.: Outcomes, Measures of Effectiveness, Benchmarks, etc.) and Discuss the Performance Results Achieved During the Past Two Years**

The effectiveness of the program is measured by the time-frame it takes to process various requests such as vendor payments, personnel actions and data processing requests. The performance results achieved during the past two years indicate that the program is providing essential fiscal and administrative support to the divisions.

**D. Discuss Actions Taken to Improve Performance Results**

In FY 2007, the Department expanded the use of the pCard Program implemented by the State Procurement Office. This program provides for the use of bank credit cards by authorized employees. The primary objectives are to provide easier acquisition of small dollar purchases and to reduce the paperwork and time associated with the preparation and processing of purchase orders. The use of the pCard also ensures that vendors are paid promptly.

Management staff from each program routinely meet to improve communication, discuss policies and procedures, resolve problems and identify their goals, objectives and performance measures. Recommendations from these meetings should improve the general administration of the Department.

**E. Identify All Modifications to the Program's Performance Measures and Discuss the Rationale for These Modifications**

None

**III. Problems and Issues**

**A. Discuss Any Problems and Issues Encountered by the Program**

The primary function of this program is administration of the Department of Land and Natural Resources. Although DLNR's operating and CIP budget increased substantially over the years, the Administrative staff remained the same. It has been increasingly difficult to provide the same level of public service with limited staff and funds allocated to this program. Department will continue to seek alternative funding and explore alternative solutions to managing and sustaining the State's natural resources and providing necessary services.

**B. Program Change Recommendations to Remedy Problems**

The Department will continue its ongoing commitment to streamlining operations and activities (such as re-evaluating internal procedures, recruit qualified personnel, etc). This also includes providing information and on-line services via the Department's website to allow the general public access to various resources and services.

**C. Identify Any Program Issues or Problems that have Affected or Will Affect the Implementation of the Program, and the Corrective Measures or Remedies Established or Planned**

See above.



**IV. Projected Expenditures for FY 2007-2008**

	Appropriation Act 213/2007 <u>FY 07-08</u>	Collective <u>Bargaining</u>	Transfer In <u>Transfer (Out)</u>	Governor's <u>Restrictions</u>	Estimated Total <u>Expenditure</u>
(Pos. Count)					
Personal Services	(39.00) 2,106,595	73,587			(39.00) 2,180,182
Current Expenses	374,309				374,309
Equipment	35,000				35,000
Motor Vehicles	0				0
(Pos. Count)	(39.00)				(39.00)
Total	2,515,904	73,587			2,589,491
Less:					
(Pos. Count)	(6.00)				(6.00)
Special Funds	656,508	12,142			668,650
(Pos. Count)					
Federal Funds	0				0
(Pos. Count)	(33.00)				(32.00)
General Funds	1,859,396	61,445			1,920,841

**A. Explanation of All Transfers Within the Program I.D. and its Impact on the Program**

None

**B. Explanation of All Transfers Between Program I.D. and the Impact to the Program**

None

**C. Restrictions and Their Impact on the Program**

None

**V. Supplemental Budget Requests for FY 2008-09**

	Appropriation Act 213/2007 <u>FY 2008-2009</u>	Budget Adjustment <u>FY 2008-2009</u>	Supplemental Requests <u>FY 2008-2009</u>
(Pos. Count)			
Personal Services	(39.00) 2,119,227	(2.00) 79,324	(41.00) 2,198,551
Current Expenses	374,309	0	374,309
Equipment	30,000	0	30,000
Motor Vehicles	0	0	0
<b>Total Requirements</b>	<b>(39.00) 2,523,536</b>	<b>(2.00) 79,324</b>	<b>(41.00) 2,602,860</b>
Less:			
(Pos. Count)			
Special Funds	(6.00) 654,008	(0.00) 0	(6.00) 654,008
Pos. Count)	(0.00)	(0.00)	(0.00)
Federal Funds	0	0	0
(Pos. Count)	(33.00)	(2.00)	(35.00)
General Funds	1,869,528	79,324	1,948,852

**A. Workload or Program Request (Description of request, reasons for the request, and desired outcomes or objectives to be accomplished by proposed program. Listing/description of positions requested, and funding requirements by cost category and source of funding)**

**1. Description of Request, Reason for the Request, and Desired Outcomes or the Objectives to be accomplished**

The budget request includes a Personnel Management Specialist III and an Account Clerk IV positions.

The Personnel Office has experienced an increase in workload due to an increase in the number of newly authorized positions over the past several years. This increase has had a significant impact on the Personnel Office resulting in a need for an additional professional position. The Personnel Management Specialist III will serve as a generalist and be responsible for assisting the Classification and Recruitment specialists with a variety of professional duties in classification, recruitment, reorganizations, training, safety, and employee job replacements.

In addition to the increase in the number of authorized positions, the Department's operating and CIP budgets increased significantly over the years. We request an Account Clerk IV to address the increasing workload in the Fiscal Staff Section of the Administrative Services Office. The Account Clerk IV will process purchase orders and contracts for materials and supplies, repairs and maintenance, services, equipment, motor vehicles, and travel related expenditures. The accounting staff has to work overtime to process the payroll, to make vendors payments within thirty days, and to meet other critical deadlines.

**2. Listing/Description of Positions Requested and Funding Requirements by Cost Category and Source of Funding**

	<u>MOF</u>	<u>Amount</u>
Personnel Management Specialist III	A	\$44,512
Account Clerk IV	A	\$34,812
Total request	A	<u>\$79,324</u>

**B. For All Position Count Reductions, Please Specify Whether the Positions Were New, Filled or Vacant**

None

**VI. Identify Restrictions Carried Over From FY 2008 as Well as Additional Reductions Due to the Department Of Budget and Finance's Budget Ceiling For FY 2009.**

**A. A description of the reduction, the reasons for the reduction, and the impacts to the objectives to be accomplished by the program.**

None.

**B. A listing/description of the positions cut including source of funding, please specify whether the positions were filled or vacant.**

None.

**VII. Capital Improvement Request (CIP) Requests for FY 2008-2009**

None

**VIII. Proposed Lapses of Capital Improvement Program Projects**

None.