

STAND. COM. REP. NO.

203

Honolulu, Hawaii

FEB 19 2009

RE: S.B. No. 1228
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 1228 entitled:

"A BILL FOR AN ACT RELATING TO STATE SMALL BOAT HARBORS,"

begs leave to report as follows:

The purpose of this measure is to clarify that commercial fishing operations can transfer ownership without losing necessary permits and without a transfer fee being imposed.

Testimony in support of this measure was submitted by fifteen public citizens. One state agency submitted comments, and testimony in opposition was submitted by one public citizen. Copies of written testimony are available for review on the Legislature's website.

Your Committee finds that section 200-10, Hawaii Revised Statutes, allows a corporation to transfer any or all stock or other interest to another person without terminating the right of the corporation or business entity to retain or renew its commercial use permit issued by the Department of Land and Natural Resources. The Attorney General, in a recent opinion, determined that permits issued to fishing corporations are not transferable. Thus, commercial fishing operators who purchased operations including mooring permits are prevented from transferring ownership of their business operations.



Your Committee has amended this measure by adopting the recommendation of a public citizen to delete the exemption from transfer fees for commercial fishing operation transfers.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1228, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1228, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land,
Agriculture, and Hawaiian
Affairs,



CLAYTON HEE, Chair



