
HOUSE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF THE
MANAGEMENT OF STATE BOATING FACILITIES BY THE DIVISION OF
BOATING AND OCEAN RECREATION OF THE DEPARTMENT OF LAND AND
NATURAL RESOURCES.

1 WHEREAS, small boat harbors and boating facilities are part
2 of the state's ocean recreation and coastal areas programs
3 established in Chapter 200, Hawaii Revised Statutes (HRS), and
4 are managed by the Department of Land and Natural Resources'
5 Division of Boating and Ocean Recreation (Boating Division); and
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7 WHEREAS, the proper operation and maintenance of small boat
8 harbors allows the public to benefit from the State's natural
9 resources by engaging in recreational boating, commercial and
10 personal fishing, and maritime-related business operations; and
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12 WHEREAS, residents and visitors alike use boating
13 facilities to participate in ocean-based activities such as
14 yacht races, canoe regattas, ocean swimming, and surfing and
15 board sailing contests; and
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17 WHEREAS, inadequate management of state boating facilities
18 has been a recurring problem, as cited in Auditor Report No.
19 01-09, "Audit of the Management of State Boating Facilities by
20 the Department of Land and Natural Resources"; and
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22 WHEREAS, the Auditor's audit report of 1993 and its follow-
23 up audit report and audit report of 1998 also attest to the
24 problem of inadequate management, which changed little in the
25 2001 or 2006 audit reports; and
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27 WHEREAS, the Boating Division's mismanagement and neglect
28 has deteriorated boating facilities to the point where their
29 continued use threatens public safety; and
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31 WHEREAS, of all the State's small boat harbors, perhaps the
32 best known is Ala Wai Harbor in Honolulu; and
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1 WHEREAS, the Ala Wai Harbor facilities are in effect
2 dysfunctional and is causing the State to lose fee revenues; and

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4 WHEREAS, the Ala Wai Harbor facilities, like many of the
5 State's other harbors, need major repairs; and

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7 WHEREAS, the 2001 Auditor's report also found that the
8 Boating Division lacked adequate controls to ensure the accuracy
9 and integrity of its financial affairs, such as determining the
10 cost of operating its boating facilities; and

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12 WHEREAS, in response to the 2001 Auditor's report, the
13 Legislature enacted Act 285, Session Laws of Hawaii 2001,
14 codified as section 200-19, HRS, to allow for private financing
15 of small boat harbor improvements by execution of a capital
16 advancement contract between the Board of Land and Natural
17 Resources and a private party; and

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19 WHEREAS, Act 259, Session Laws of Hawaii 2001, appropriated
20 the sum of \$2,000,000 for fiscal year 2001-2002, and the sum of
21 \$3,000,000 for fiscal year 2002-2003 for repair and maintenance
22 of small boat harbor facilities; and

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24 WHEREAS, Act 41, Session Laws of Hawaii 2004, appropriated
25 the sum of \$9,000,000 for fiscal year 2004-2005 for improvements
26 at various existing boating facilities throughout the state and
27 other berthing and shore facilities including boat ramps; and

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29 WHEREAS, Act 178, Session Laws of Hawaii 2005, appropriated
30 the sum of \$5,000,000 for fiscal year 2005-2006 for improvements
31 at various boating facilities; and

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33 WHEREAS, Act 213, Session Laws of Hawaii 2007, appropriated
34 the sum of \$1,840,000 for fiscal biennium 2007-2009 for
35 improvements at various boating facilities; and

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37 WHEREAS, the portion of Auditor Report No. 06-04,
38 "Financial Audit of the Department of Land and Natural
39 Resources" relating to the Boating Division, found that although
40 some of the prior recommendations had been implemented, the
41 absence of effective management oversight continues to plague
42 the Boating Division; and

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1 WHEREAS, in spite of the Legislature's continued efforts to
2 rectify the problem of repair, maintenance, and management of
3 the boat harbors, problems continue to persist; now, therefore,
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5 BE IT RESOLVED by the House of Representatives of the
6 Twenty-fifth Legislature of the State of Hawaii, Regular Session
7 of 2010, that the Auditor is requested to conduct a follow-up
8 audit to the 2001 Audit of the Management of State Boating
9 Facilities by the Department of Land and Natural Resources
10 (Report No. 01-09) and the portion of the 2006 Financial Audit
11 of the Department of Land and Natural Resources (Report No. 06-
12 04) relating to the Division of Boating and Ocean Resources,
13 particularly as it applies to the Ala Wai Harbor; and
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15 BE IT FURTHER RESOLVED that the Auditor report its findings
16 and recommendations to the Legislature not later than 20 days
17 prior to the convening of the Regular Session of 2011; and
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19 BE IT FURTHER RESOLVED that certified copies of this
20 Resolution be transmitted to the Chairperson of the Board of
21 Land and Natural Resources and the Auditor.
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OFFERED BY: Tom Browne

FEB 03 2010

