

STAND. COM. REP. NO. **935**

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1766
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1766, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure the proper use and maintenance of the State's recreational boat harbors by:

- (1) Allowing the limited issuance of commercial use permits for vessels with assigned moorings in Ala Wai and Keehi Boat Harbors;
- (2) Providing for future mooring fees to be established by appraisal by a state-licensed appraiser and assigned a schedule B rate, while existing mooring holders remain in a schedule A class eventually equaling schedule B rates over a five-year period; and
- (3) Authorizing the Department of Land and Natural Resources (DLNR) to use the request for proposals (RFP) process to enter into a public-private partnership to develop portions of Ala Wai Boat Harbor facilities that are presently under-used to maximize the revenue potential from its facilities.



A member of the Kauai County Council and several concerned individuals supported this bill. The Waikiki Neighborhood Board, Ala Wai Harbor Ad Hoc Committee, Waikiki Area Residents Association, Hawaii Government Employees Association, Common Ground Hawaii, Hawaii Boaters Political Action Association, Save Our Surf, and many concerned individuals opposed this measure. DLNR, the Ocean Tourism Coalition, Hawaii's Thousand Friends, and a concerned individual provided comments.

Your Committee has amended this bill by:

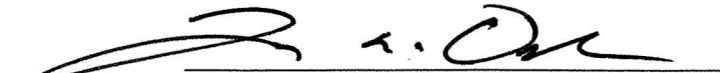
- (1) Providing that commercial use vessels at the Ala Wai Harbor shall not exceed 65 feet in length, specifying the maximum number of berths they are to occupy, and specifying the location of the berths;
- (2) Providing that mooring fees shall increase by any cost-of-living index increase, instead of any consumer price index increase;
- (3) Directing, instead of authorizing, DLNR to lease the fast lands and submerged lands at the Ala Wai Harbor using the RFP process;
- (4) Specifying the tax map key numbers at the Ala Wai Harbor that is presently used for harbor offices and permitted vehicular parking, as tax map key (1) 2-3-37: portion of 12, 24, 33, and 34;
- (5) Providing that the parcels at Ala Wai Harbor that are presently the site of the fuel dock facility and the haul-out and repair facility that DLNR is directed to lease, shall not be included in the RFP if they are already the subject of a prior RFP that has been approved by the Board of Land and Natural Resources;
- (6) Specifying that the permissible uses under the lease of Ala Wai Harbor shall include a minimum of not less than 120 berths for vessels, including:
 - (A) Not more than 40 berths for recreational boating activities that are also the principal habitation of the owners; and
 - (B) Not more than 30 berths for vessels issued commercial use permits;



- (7) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1766, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1766, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



