

Honolulu, Hawaii

Feb 26, 2010

RE: H.B. No. 2741  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2741 entitled:

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

begs leave to report as follows:

The purpose of this bill is to clarify laws pertaining to commercial fishing vessels by:

- (1) Requiring permittees of vessels used for certain commercial fishing activity to pay a fee one and one-half times the moorage fee assessed for a recreational vehicle of the same size, in lieu of the current mooring and liveaboard fee;
- (2) Allowing a person to transfer stock or interest in a corporation or business entity operating a commercial fishing vessel while allowing the corporation or business entity to retain its mooring permit under certain circumstances; and
- (3) Defining "commercial fishing activity."

The Hawaii Fishing & Boating Association and a concerned individual supported this bill. The Department of Land and Natural Resources and a concerned individual offered comments.

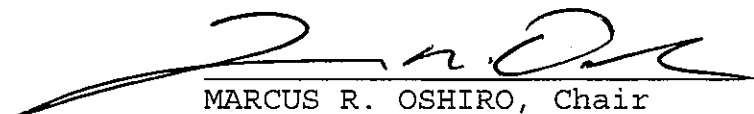


Your Committee has amended this bill by:

- (1) Changing the fee for permittees of vessels used for certain commercial fishing activity from one and one-half to two times the moorage fee assessed for a recreational vehicle of the same size;
- (2) Amending the qualifications for owners of vessels used for commercial fishing activity by:
  - (A) Specifying that income tax returns demonstrate that 51 percent or more of the business involving the vessel is generated through the sale of fish or permitted coral; and
  - (B) Requiring the owner to be able to prove that at least \$15,000 in income has been earned with respect to the vessel in the most recent taxable year;
- (3) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 2741, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2741, H.D. 1, and be placed on the calendar for Third Reading.

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

  
MARCUS R. OSHIRO, Chair



