

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
LAURA H. THIELEN
Chairperson**

**Before the House Committee on
FINANCE**

**Friday, February 19, 2010
3:00 PM
State Capitol, Conference Room 308**

**In consideration of
HOUSE BILL 1961, HOUSE DRAFT 1
RELATING TO THE KAHOO LAWE REHABILITATION TRUST FUND**

House Bill 1961, House Draft 1 would impose a surcharge of \$1 for every customer of an ocean recreation business that operates in or around Molokini Islet, and deposit said funds into the Kahoolawe Rehabilitation Trust Fund. The Department of Land and Natural Resources (Department) opposes this bill.

The existing snorkel/dive tours that use Molokini have already been asked to accept increased costs to their businesses through department permit conditions to reduce damage to coral resources there. Given the state of Hawaii's economy, it would be unfair to ask these businesses to shoulder an additional fee on visitors this year.

The Department believes that any future fees for Molokini visitors should be used to protect the resources of Molokini and coral resources in the State.

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING

FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



KŪKULU KE EA A KANALOA
KAHO'OLAWE ISLAND RESERVE COMMISSION

811 Kolu Street, Suite 201, Wailuku, HI 96793
Telephone (808) 243-5020 Fax (808) 243-5885
Website: <http://kahoolawe.hawaii.gov>

**Testimony of
MICHAEL K. NAHO'OPI'I
Executive Director**

**Before the House Committee on
FINANCE**

**Friday, February 9, 2010
3:00 PM
State Capitol, Conference Room 308**

**In consideration of
HOUSE BILL 1961, HOUSE DRAFT 1
RELATING TO THE KAHO'OLAWE REHABILITATION TRUST FUND**

House Bill 1961, House Draft 1 would impose a \$1 surcharge on each customer who participates in an ocean recreational activity or tour in the Molokini Shoal Marine Life Conservation District and direct the collected surcharges to the Kahoolawe Rehabilitation Trust Fund. The Kahoolawe Island Reserve Commission (KIRC) supports this measure to provide permanent state statutory funding for the restoration of Kahoolawe.

KIRC's only permanent funding source is the Trust Fund, established in 1994 when federal monies were appropriated for the clean-up of unexploded ordnance. The Trust Fund was not created, nor was the principle ever substantial enough, to be a sustainable endowment where KIRC could operate solely from its interest. Over the past several years, KIRC has received funding through state and federal grants, donations, access permit fees and boater registration, but has had no other permanent source of funds beyond the Trust Fund in the past 16 years.

Even with dramatic cuts to operating expenses and personnel costs – projected Fiscal Year 2010 expenditures total \$3.49 million – the Trust Fund will be depleted within the next four years. With such financial uncertainty, KIRC has curtailed new projects, postponed program activities and deferred maintenance to equipment and facilities; it would be irresponsible to plan and spend for the future without knowing how such expenses would be funded. The proposed bill would enable KIRC to plan for future program activities and operations by providing permanent statutory funding. KIRC would, therefore, respectfully request that the bill take effect no later than July 1, 2011.

The nexus between Kahoolawe and Molokini is clear. There is a traditional relationship linking Kahoolawe, Molokini and the Honua'ula district of Maui, a cultural tie that is found in oral histories and traditional Native Hawaiian stories. KIRC has provided support to Molokini conservation efforts, including unexploded ordnance removal and seabird banding and monitoring. Additionally, Molokini tour activities unquestionably benefit from KIRC's management of the Kahoolawe Island Reserve and its marine resources – the restricted Reserve waters function as a sanctuary and nursery for all marine species, including listed species such as the green sea turtle, Hawaiian monk seal and humpback whale, as well as some of the healthiest fish populations in the main Hawaiian islands.



HB 1961 HD 1
RELATING TO THE KAHO'OLAWE REHABILITATION TRUST FUND
House Committee on Finance

February 19, 2010

3:00 p.m.

Room: 308

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HB 1961 HD 1, which would require ocean recreational activity Molokini tour operators to levy a minimal \$1 surcharge from each customer, to be deposited in the Kaho'olawe Rehabilitation Trust Fund.

OHA applauds the Legislature for this creative funding mechanism, proposed during harsh economic times. In every entrance and exit poll that has evaluated tourists' level of commitment to maintaining and improving the cultural and natural resources of Hawai'i, tourists overwhelmingly support surcharges and opportunities to learn more about the indigenous culture of this spectacular archipelago. They easily correlate environmental and cultural resources to part of the value they place on their visit here, because those elements are what keep them returning to our beautiful and spiritual home.

A one dollar charge per visitor to a tiny island that is in clear view of Kaho'olawe and which benefits directly from ocean resource preservation activities around Kaho'olawe seems like a reasonable request. Having the tour operators issue the charge, knowing that their businesses have benefited from the increased fish population that has developed because of decreased sedimentation and prohibitions against fishing around Kaho'olawe does not seem onerous.

In fact, it provides the tour operators with an opportunity to share more about the cultural, historic and natural aspects of Kaho'olawe during their boat trips to Molokini. For example, certain accounts tell of the demigod Maui trying to pull Kaho'olawe closer to Maui, using his magical fishhook – Mānaiakalani – from his canoe. In the process, the fishhook breaks and the part that falls into the sea becomes Molokini.

Kaho'olawe, a kinolau of Kanaloa, remains a piko of Hawaiian culture, while retaining visible scars from previous mismanagement. Kaho'olawe helped inspire the Hawaiian cultural renaissance and continues to be an integral educational center for traditional navigation, hula, natural resource management, etc. The Kaho'olawe Island Reserve Commission's current Strategic Plan clearly expresses the needs and values of this significant island, and the continued natural and cultural resource restoration goals described therein will continue to benefit residents and tourists alike. This bill's minimal proposed surcharge would help educate tourists and tour operators privileged enough to experience the splendor and wonder of marine life around Molokini, in the shadow of the cultural icon of Kaho'olawe.

Therefore, OHA urges the Committee to PASS HB1961 HD 1. Thank you for the opportunity to testify.

Atlantis[®]

A D V E N T U R E S

February 17, 2010

In Opposition of HB 1961
House Committee on Finance
On Friday, 19 February 2010 in room 308 at 1500

Chair Oshiro and Respected Members of the Committee;

I am writing in opposition to HB 1961. While the emphasis of the Kaho'olawe Island Reserve Commission Strategic Plan is a noble one, I believe that the funding source from the commercial operators of Molokini is misguided.

In these extreme economic times that we find ourselves in, the state cannot continue to tax the small business into continued hardships. While this bill is not truly a tax directly to the small business' that operate at Molokini, but it is a mandatory price increase that the consumer will have to pay. This will have negative consequences to the ocean tourism industry at Molokini.

Why has the commercial operators of Molokini been targeted are this consumer fee to pay for something that they do not touch or area that they do not use? One of my major concerns is, where will this end? Where else will this fee be levied?

Atlantis Adventures Hawaii does not operate in Molokini, so this bill does not directly effect us; however I oppose this fee as one which seems to single out one particular industry to help fund this project. Why not have the military pay for this, they are ones who broke the island to begin with!

Again, the goal of KIRC is a good one; however they should not be asking to receive funds from the visitors to Molokini via the commercial operator who take them there.

I oppose HB 1961.

Best regards,

Jim Walsh
General Manager ~ Maui
658 Front Street, #175
Lahaina, HI 96761
Tel (808) 667-6604
Fax (808) 661-1210
www.atlantisadventures.com



PO Box 5612
74-425 Kealakehe Parkway #16
Kailua-Kona, HI 96740

Phone (808) 329-3199
Fax (808) 329-7590
Pirates@CaptainZodiac.com

TESTIMONY HB 1961HD 1

February 19, 2010 3:00 PM Room #308

TESTIMONY TO: **HOUSE COMMITTEE ON FINANCE**

Representative **Marcus R. Oshiro, Chair**

Representative **Marilyn B. Lee, Vice Chair**

Presented By: **William J. Zabolski**, President Captain Zodiac Rafting Adventure

Subject: HB 1961HD1 Relating to the Kaho'olawe Rehabilitation Trust Fund

SPEAKING IN THE STRONGEST OPPOSITION

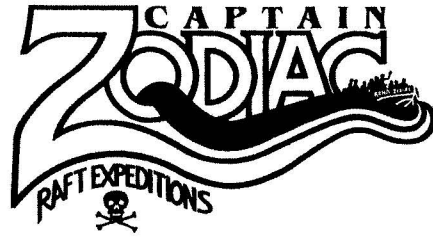
Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

Mr. Chairman,

This bill is an unfair imposition of a fee on a selected group. To once again tax the tourists to support "restoration" of an island that cannot be accessed by that group is an abuse of our visitor industry that we so heavily depend upon for our government's survival.

I also see a problem with enforcement of this law. How will you know if the tourist paid the surcharge? How will you know the name of the scofflaw and where they are when you initiate collection? How much does the government expect to spend on collecting one dollar (\$1.00)?

Why only Molokini visitors are charged this fee I just don't understand. This bill puts an undue burden on small businesses that are using and protecting the Molokini recreational area. They area already under duress from increased harbor, launching and user fees. I feel with them when we discuss what we are getting back in service for our fees. My harbor and launch ramps have not been improved and we send thousands of dollars each year to the DLNR for the "privilege" of being here.



Tourists are not represented in this discussion and this could be seen as taxation without representation. If Kaho'olawe needs more funds, then put into effect a fund raising project like so many non profits do. Ask for donations don't demand them. We are just picking the pocket of the very golden goose that provides the government with a majority of its funds.

Please reconsider this bill and find a better way to get these funds.

Mahalo,

Bill Zabolski



TESTIMONY HB 1961HD 1

February 19, 2010 3:00 PM Room #308

TESTIMONY TO: **HOUSE COMMITTEE ON FINANCE**

Representative **Marcus R. Oshiro, Chair**

Representative **Marilyn B. Lee, Vice Chair**

Submitted By: **Melynda Dant, small business owner**

Subject: HB 1961HD1 Relating to the Kaho'olawe Rehabilitation Trust Fund

SPEAKING IN THE STRONGEST OPPOSITION

Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

It seems as though every time this state needs money the answer is get it from the visitor industry. We collect fees and taxes at every step a visitor makes.

The answer is simple and basic Business 101: Our state government needs to get a handle on spending. The auditor Marilyn Higa comes out with reports stating in black and white how poorly our government manages our tax revenues. Learn to spend the money you already have better. Cut unnecessary spending, do more with less.

Before increasing taxes and fees, first write a bill that requires each department to have qualified money managers that are held accountable for their departments spending. It is criminal how our government officials are allowed to mismanage and waste our hard earned monies.

Our visitors and small businesses can not fund this bill. Find the money elsewhere.

Sincerely,
Melynda Dant
Vice President
Fair Wind Cruises



Kahikoia Ltd. dba
Frogman Charters

February 19, 2010

TESTIMONY TO: House Committee on Finance
Representative Marcus R. Oshiro, Chair

PRESENTED BY: Phil Kasper, President
Frogman Charters

RE: H.B. 1961, HD 1 – Relating to the Kaho’olawe Rehabilitation Trust

SPEAKING IN THE STRONGEST OPPOSITION

Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

I am Phillip Kasper, President of Frogman Charters, speaking in the STRONGEST OPPOSITION TO H.B. 1961, HD 1.

The world wide economic recession has had a devastating effect upon the family owned charter boat businesses that serve the Molokini Shoals Marine Life Conservation District. Business is down for all of the operators. The vessel "Prince Kuhio" which has operated out of Maalaea Harbor for over twenty years has shut down their business and has laid off all of their employees. We are all struggling in this very difficult environment. Revenues are down significantly and many of our costs, especially for fuel and employee health coverage keep going up. Yet we still employ a large number of local people and we contribute significantly to the local economy and to the state tax base.

Adding an additional fee to our ticket price makes it harder for us to sell our tickets and puts us at a competitive disadvantage to all other tour operators in Hawaii. The administrative costs would add significantly to this burden.

Although I support the rehabilitation of Kahoolawe, I do not feel that the rehabilitation effort is the singular obligation of our small group of businesses. Certainly the obligation to rehabilitate the island of Kahoolawe is a Federal issue because the damage to the island was carried out by the military. There simply is no direct relationship between the vessels that take tourists to the Molokini Shoals Marine Life Conservation District and the rehabilitation of Kahoolawe. If this effort is to proceed it should be supported by everyone in the country, not just a few small charter boats from Maalaea Harbor.

This bill is unfair and I am in strong opposition to its passage.

Thank you,

Phillip Kasper, President Frogman Charters



TESTIMONY HB 1961HD 1

February 19, 2010 3:00 PM Room #308

TESTIMONY TO: **HOUSE COMMITTEE ON FINANCE**

Representative **Marcus R. Oshiro, Chair**

Representative **Marilyn B. Lee, Vice Chair**

Subject: HB 1961HD1 Relating to the Kaho'olawe Rehabilitation Trust Fund

Voicing STRONGEST Opposition

Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

I, Ronnie Grover General Manager, Kauai Sea Tours wish to present this testimony **In STRONGEST OPPOSITION to HB 1961 HD1.**

Our small ocean recreation business is fighting for survival in this very difficult economic climate over the past year and a half. Our industries passenger counts are down significantly in spite of the heavy discounting in the marketplace while all our expenses keep going up and up. The tourists are looking for the best deal possible. Every time we increase the cost to do our products, we lose business. The cost to do activities in Hawaii helps drive the decision whether or not to vacation in Hawaii. I believe that the net loss to the state will actually far outweigh whatever revenue would be garnered from this plan. Also it places significant added burdens on the ocean recreation company to collect, report, and administrate this onerous fee/surcharge. As the majority of our business is from third party booking agencies who keep a large share of our revenue, we would now have to depend on them to collect or advise the customer of this added fee to be in/on the water.

This is an administration and collection night mare. As the bill is written, it appears that the tour operator has the expectation to collect the \$1 surcharge from the tourist. If somehow the tourist doesn't pay the operator, the Department will initiate collection action against the tourist. This is problematic. There are many ways payment could be overlooked. Many of the tourists make reservations on line or through an activity desk. It may be that the activity desk neglected to collect the surcharge, yet the tourist is liable for it. Or the booking on line somehow neglected to charge/collect the fee. I can see it now; a family

finds that they somehow didn't pay the surcharge and has an outstanding warrant to pay from the State of Hawaii and is afraid to come back.

It is unclear how large this net is cast. It looks like the way the bill is currently written it might affect any ocean recreation business whether or not they go to Molokini. What about a company that has products that go to Molokini but also other ocean recreation products that do not go to Molokini? Are all the products of this company subject to the Molokini surcharge even if the tourist does not go to Molokini?

The many small businesses that earn their livelihood from a pristine and protected marine environment are already supporting various non profit and environmental organizations that help protect and preserve our natural resources. They are also trying to keep their staff employed and their businesses afloat.

Commercial boaters represent less than 3% of the total boats using harbor facilities yet produce close to 50% of all revenues derived from boater fees. Commercial boaters recently supported successful legislation to have their commercial use fees raised by 50% with the promise that this would provide enough extra revenue for DOBOR to upgrade our harbors.

On February 10, 2010 DLNR wrote a letter to all slip holders that the mooring fees were going to have a nearly 100% increase starting within the next two months. This is unbelievable to me I see our fees go to a general fund and our harbors remain crumbling. Now we are to pass the lack of funding onto the already stretched thin small businessperson. We do not want to see an additional open-ended fee system added on to our already strained resources to the point where it drives us out of business. Small business needs your support not an additional fee, where does it stop. You should look at supporting some of the ocean recreation projects from the 97% user groups that are recreational boaters who pay hardly anything to the harbors and ocean resource maintenance.

Is it even legal to charge one user group to fund a totally unrelated entity? There is a Federal ruling that Boating fees have to accurately reflect the cost to provide the service. What service is being provided to boaters here?

We applaud the effort that has gone into the Kaho'olawe restoration but small businesses cannot afford to be the funding source.

We humbly ask you to **Please Kill HB 1961HD1.**

Sincerely,

Via fax/email
Ronnie Grover General Manager
Kauai Sea Tours/ PO Box 51004, Eleele, HI 96705 T 808 335 5309



TESTIMONY HB 1961HD 1

February 19, 2010 3:00 PM Room #308

TESTIMONY TO: **HOUSE COMMITTEE ON FINANCE**

Representative **Marcus R. Oshiro, Chair**

Representative **Marilyn B. Lee, Vice Chair**

Presented By: **James E. Coon**, President of the Ocean Tourism Coalition

Subject: HB 1961HD1 Relating to the Kaho'olawe Rehabilitation Trust Fund

SPEAKING IN THE STRONGEST OPPOSITION

Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

I am Jim Coon, President of the Ocean Tourism Coalition (OTC), speaking with **STRONGEST OPPOSITION to HB 1961 HD1.**

The Ocean Tourism Coalition is the only state-wide organization that represents the more than 300 small businesses that operate vessels out of the small boat harbors of the state. **There are 41 of these small businesses** that operate tours to Molokini Shoals Marine Life Conservation District under permits issued by DAR/DLNR. Each one of these business is **fighting for their very survival** in this very difficult economic climate. Tourists already are not spending as much to take tours like the ones offered to Molokini.

All our **passenger counts are down significantly** in spite of the heavy discounting in the marketplace. The tourists are looking for the least expensive vacation possible. Every time we increase the cost to do our products, we lose business. The cost to do activities in Hawaii helps drive the decision whether or not to vacation in Hawaii. We believe that the net loss to the state will actually far outweigh whatever revenue would be garnered from this plan. Also it places significant added burdens on our companies to collect, report, and administrate this onerous fee/surcharge.

This is an administration and collection night mare. As the bill is written, it appears that the tour operator has the expectation to collect the \$1 surcharge from the tourist. If somehow the tourist doesn't pay the operator, the Department will initiate collection action against the tourist. This is problematic. There are many ways payment could be overlooked. Many of the tourists make reservations on line or through an activity desk. It may be that the activity desk neglected to collect the surcharge, yet the tourist is liable for it. Or the booking on line somehow neglected to charge/collect the fee. I can see it now; a family

finds that they somehow didn't pay the surcharge and has an outstanding warrant to pay from the State of Hawaii and is afraid to come back.

It is unclear how large this net is cast. It looks like the way the bill is currently written it might affect any ocean recreation business whether or not they go to Molokini. What about a company that has products that go to Molokini but also other ocean recreation products that do not go to Molokini? Are all the products of this company subject to the Molokini surcharge even if the tourist does not go to Molokini?

The many small businesses that earn their livelihood from a pristine and protected marine environment are already supporting various non profit and environmental organizations that help protect and preserve our natural resources. They are also trying to keep their staff employed and their businesses afloat.

Commercial boaters represent less than 3% of the total boats using harbor facilities yet produce close to 50% of all revenues derived from boater fees. Commercial boaters recently supported successful legislation to have their commercial use fees raised by 50% with the promise that this would provide enough extra revenue for DOBOR to upgrade our harbors. On February 10, 2010 DLNR wrote a letter to all slip holders that our mooring fees were going to have a nearly 100% increase starting within the next two months. We do not want to see an additional draconian open ended fee system added on to our already strained resources to the point where it drives us out of business.

We seriously doubt that it is even legal to charge one user group to fund a totally unrelated entity? There is a Federal ruling that Boating fees have to accurately reflect the cost to provide the service. What service is being provided to boaters here?

We applaud the effort that has gone into the Kaho'olawe restoration but our small businesses cannot afford to be the funding source.

We humbly ask you to **Please Kill HB 1961HD1.**

Sincerely,

James E. Coon, President OTC

Blue Water Rafting
P.O. Box 1865
Kihei, HI 96753

TESTIMONY HB 1961HD 1

February 19, 2010 3:00 PM Room #308

TESTIMONY TO: HOUSE COMMITTEE ON FINANCE

Representative **Marcus R. Oshiro, Chair**

Representative **Marilyn B. Lee, Vice Chair**

Presented By: **Mark de Rensis, President, Blue Water Rafting**

IN STRONGEST OPPOSITION

Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

I am Mark de Rensis, President of Blue Water Rafting testifying with
STRONGEST OPPOSITION to HB 1961 HD1.

As a member of the Ocean Tourism Coalition (OTC), I am in solid agreement with James E. Coon, our president whose testimony below accurately reflects my views regarding this proposed bill.

Please consider his testimony as my own as stated below:

I am Jim Coon, President of the Ocean Tourism Coalition (OTC), speaking with
STRONGEST OPPOSITION to HB 1961 HD1.

The Ocean Tourism Coalition is the only state-wide organization that represents the more than 300 small businesses that operate vessels out of the small boat harbors of the state. **There are 41 of these small businesses** that operate tours to Molokini Shoals Marine Life Conservation District under permits issued by DAR/DLNR. Each one of these business is **fighting for their very survival** in this very difficult economic climate. Tourists already are not spending as much to take tours like the ones offered to Molokini.

All our **passenger counts are down significantly** in spite of the heavy discounting in the marketplace. The tourists are looking for the least expensive vacation possible. Every time we increase the cost to do our products, we lose business. The cost to do activities in Hawaii helps drive the decision whether or not to vacation in Hawaii. We believe that the net loss to the state will actually far outweigh whatever revenue would be garnered from this plan. Also it places significant added burdens on our companies to collect, report, and administrate this onerous fee/surcharge.

This is an administration and collection night mare. As the bill is written, it appears that the tour operator has the expectation to collect the \$1 surcharge from the tourist. If somehow the tourist doesn't pay the operator, the Department will initiate collection action against the tourist. This is problematic. There are many ways payment could be overlooked. Many of the tourists make reservations on line or through an activity desk. It may be that the activity desk neglected to collect the surcharge, yet the tourist is liable for it. Or the booking on line somehow neglected to charge/collect the fee. I can see it now; a family finds that they somehow didn't pay the surcharge and has an outstanding warrant to pay from the State of Hawaii and is afraid to come back.

It is unclear how large this net is cast. It looks like the way the bill is currently written it might affect any ocean recreation business whether or not they go to Molokini. What about a company that has products that go to Molokini but also other ocean recreation products that do not go to Molokini? Are all the products of this company subject to the Molokini surcharge even if the tourist does not go to Molokini?

The many small businesses that earn their livelihood from a pristine and protected marine environment are already supporting various non profit and environmental organizations that help protect and preserve our natural resources. They are also trying to keep their staff employed and their businesses afloat.

Commercial boaters represent less than 3% of the total boats using harbor facilities yet produce close to 50% of all revenues derived from boater fees. Commercial boaters recently supported successful legislation to have their commercial use fees raised by 50% with the promise that this would provide enough extra revenue for DOBOR to upgrade our harbors. On February 10, 2010 DLNR wrote a letter to all slip holders that our mooring fees were going to have a nearly 100% increase starting within the next two months. We do not want to see an additional draconian open ended fee system added on to our already strained resources to the point where it drives us out of business.

We seriously doubt that it is even legal to charge one user group to fund a totally unrelated entity? There is a Federal ruling that Boating fees have to accurately reflect the cost to provide the service. What service is being provided to boaters here?

We applaud the effort that has gone into the Kaho'olawe restoration but our small businesses cannot afford to be the funding source.

We humbly ask you to **Please Kill HB 1961HD1.**

Sincerely,

Mark de Rensis
President, Blue Water Rafting

TESTIMONY AGAINST HB 1961HD 1
February 19, 2010 3:00 PM Room #308

TESTIMONY TO: **HOUSE COMMITTEE ON FINANCE**
Representative **Marcus R. Oshiro, Chair**
Representative **Marilyn B. Lee, Vice Chair**

Sent by BETSY MORRIGAN, Owner, Hawaii Pack and Paddle; Captain Cook, HI 808-328-89
and President, KAI (Kayak Alliance of the Island), non-profit

OPPOSING HB 1961HD1 Relating to the Kaho'olawe Rehabilitation Trust Fund

Aloha Chair Oshiro, Vice Chair Lee, and Honorable Members of the Finance Committee:

I oppose this bill. I understand that our state is in hard times and needs money to fund various projects. You also know that the ocean recreation is hurting a great deal and to impose an additional fee upon each guest at Molokini that the tour operator has to charge, collect, send, account for etc. is both a logistical nightmare and an undue financial burden to the ocean recreation industry there. The ocean recreation industry is already very heavily taxed on the state level starting with DLNR permit fees, GE and state income taxes, and cannot afford additional assessments and still stay afloat.

It seems the state often looks to the ocean recreation tour operators to squeeze the next dime for the next project. There is a limit to how far we can be squeezed and still continue to operate and pay the permit fees and taxes that help take care of our state.

As the president of the nonprofit educational group KAI, I have often asked tourists what they are enjoying most on their visit to Hawaii. Often they have replied, "Great experiences on the ocean with tours at a reasonable price." We really need to keep these tours reasonable, and even adding \$1.00 per person translates into much more than that for the tour operator.

Perhaps if this surcharge were to be used to build better ramps or mooring facilities that would help the Molokini boaters, I might see it in a different light. Kaho'olawe definitely needs rehabilitation and I am all for that, but rehabilitation at Kaho'olawe is totally unrelated to the ocean recreation industry; the Molokini ocean recreation businesses should not have to fund this project that is completely out of our realm.

Please vote against this bill HB 1961HD1 and do all you can to preserve and promote the ocean recreation industry.

Thank you very much.

Betsy Morrigan

Elaine Dunbar
P.O.Box 861
Lihue, Hawaii 96766
Tel: 808-635-7006
Email: ed9@hawaii.edu

February 17, 2010

To: COMMITTEE ON FINANCE

Rep. Marcus R. Oshiro, Chair and Members
Rep. Marilyn B. Lee, Vice Chair

Rep. Henry J.c. Aquino	Rep. Scott Y. Nishimoto
Rep. Karen Leinani Awana	Rep. Roland D. Sagum, III
Rep. Tom Brower	Rep. James Kunane Tokioka
Rep. Isaac W. Choy	Rep. Jessica Wooley
Rep. Denny Coffman	Rep. Kyle T. Yamashita
Rep. Sharon E. Har	Rep. Lynn Finnegan
Rep. Gilbert Keith-Agaran	Rep. Gene Ward
Rep. Chris Lee	

DATE: Friday, February 19, 2010
TIME: 3:00 PM

Regarding Testimony in opposition to:

HB 1961 HD1 RELATING TO THE KAHO'OLAWA
REHABILITATION TRUST FUND
Would impose a \$1 surcharge on each customer who participates
in an ocean recreational activity or tour in the Molokini Shoal
Marine Life Conservation District and direct the collected
surcharges to the Kaho'olawe Rehabilitation Trust Fund.

Aloha Chair Oshiro and Members,

I am not in favor of further burdening an already fragile visitor industry with additional fees/surcharges. This does not seem like a fruitful approach to enthrusing visitors to take part in a program "... to deepen understanding..of the natural, cultural, historical and spiritual significance of Kaho'olawe.." through educational tours.

Some of the KIRC Strategic Plan goals emphasize to systematically restore the natural resources of the Reserve, including the island and its surrounding waters; I believe this still falls to the U.S. Army/Navy to fulfill their uncompleted obligations of restoration for over five decades of relentless bombing. Why should anyone else be asked to shoulder

this responsibility? KIRC receives funds from grants, donations, and proceeds from contributions but I don't see any military assistance. I found it dubious that KIRC is going the route of HB1961.

In reading KIRC's mission statement, goals, and proposed language in this bill, the first thing that struck me was the prioritizing; the protection for Kaho'olawe and the perpetuation of all cultural aspects *has morphed into an industry with the focus being protection of the fund*. And that the initial priorities (the natural, cultural, historical, and spiritual significance) are the means to the end of aiding in the fund development process. When in actuality it should be the other way around.

Another part of the reason KIRC was created was to prepare for the transition of the Reserve to the future native Hawaiian sovereign entity. This is NOT being addressed nor is there a proposal in place to facilitate dialogue amongst sovereignty entities to initiate transition. In fact, KIRC has engaged in efforts to thwart attempts by sovereigns to establish receipt of Kaho'olawe.

My objection and concerns are that KIRC is not advancing the stated objectives of their agency and seems to have lost site of their main purpose and now asks the state legislature to bail them out. KIRC was established in 1993, seventeen years ago. Perhaps it would be reasonable to request an investigation of KIRC's activities with respect to fulfillment of their stated mission.

Please kill HB1961.

With kind regards,

Elaine Dunbar

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 18, 2010 1:03 PM
To: FINTestimony
Cc: cdfb1948@hotmail.com
Subject: Testimony for HB1961 on 2/19/2010 3:00:00 PM

Testimony for FIN 2/19/2010 3:00:00 PM HB1961

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: The dive shop
Organization: Individual
Address: 441 Mikioi st Kihei Hi
Phone: 808-879-2201
E-mail: cdfb1948@hotmail.com
Submitted on: 2/18/2010

Comments:
This bill is trying to kill us enough is enough !!!!

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 17, 2010 11:23 AM
To: FINTestimony
Cc: stevedives@maui.net
Subject: Testimony for HB1961 on 2/19/2010 3:00:00 PM

Testimony for FIN 2/19/2010 3:00:00 PM HB1961

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Stephen C Juarez
Organization: Individual
Address: 1223 Front Street Lahaina, HI
Phone: 808-661-7333
E-mail: stevedives@maui.net
Submitted on: 2/17/2010

Comments: