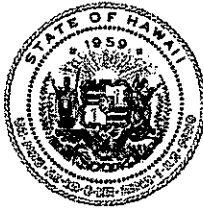


LINDA LINGLE  
GOVERNOR OF HAWAII



**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**

**Thursday, March 25, 2010  
3:30 PM  
State Capitol, Conference Room 308**

**In consideration of  
SENATE BILL 2019, SENATE DRAFT 1, HOUSE DRAFT 1,  
RELATING TO THE MAXIMUM TERM OF COMMERCIAL USE AND OPERATOR  
PERMITS FOR THRILL CRAFT AND PARASAILING**

Senate Bill 2019, Senate Draft 1, House Draft 1, proposes to delete the maximum term of permit issue of 20 years for thrill craft and parasailing and change the five-year permit to a one-year permit for each commercial use and operator permit issued for commercial thrill craft and parasailing activities. While the Department of Land and Natural Resources (Department) supports the amendment to change the five-year permit to a one-year permit, the Department nonetheless takes no position with the deletion of the maximum term of permit issue of 20 years.

The Department notes that commercial thrill craft and parasail operators that have been issued a commercial use permit by the Department's Division of Boating and Ocean Recreation are the only commercial permittees that may have their commercial use permits issued at public auction after 20 years. All other commercial use permits are issued on a year to year basis and are renewed annually as long as the permittee has remained in compliance with all federal, state, and county laws. The Department feels that all commercial operators should be treated equally and that all commercial operator permits should either be renewed annually or be required to be offered at public auction every 20 years.

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



# Ocean Tourism Coalition

*The Voice for Hawaii's Ocean Tourism Industry*  
Century Square-1188 Bishop St., Ste. 1003  
Honolulu, HI 96813-3304  
(808) 537-4308 Phone (808) 533-2739 Fax  
timlyons@hawaiiintel.net

March 25, 2010

Testimony To: House Committee on Finance  
Representative Marcus R. Oshiro, Chair

Presented By: Tim Lyons, CAE  
Executive Director

Subject: S.B. 2019, SD 1, HD 1 - RELATING TO THE MAXIMUM TERM OF  
COMMERCIAL USE AND OPERATOR PERMITS FOR THRILL CRAFT AND  
PARASAILING

Chair Oshiro and Members of the Committee:

I am Tim Lyons, Executive Director of the Ocean Tourism Coalition and we support this bill with amendments.

The twenty (20) year maximum permit was a specialized response to a situation existing at the time which was undesired by the community. Unfortunately, we find that the twenty (20) year maximum causes a great hardship on the owner of that permit because after all, as the time grows near to expiration which it is currently doing, you have the equivalent of a "lame duck" permit.

Businesses must enter into long range plans, as well as long range applications. A permit which is going to expire at some point certain in the future does not afford the business, its investors or anyone else the incentive to take a risk with that business by investing or providing a loan. We also find that the twenty (20) year maximum (as in the current law) is an anomaly as far as other permits that are issued. The bill provides permits just like all other permits.

Based on the above, we can recommend support of this bill and would ask for your favorable consideration.

Thank you.

March 24, 2010

SB2019, SD1, HD1

My name is Christopher Haines and I am the owner of Jet Ski's Plus in Haleiwa. I have been in business since 1986 and it has been an uphill battle trying to save my business so I can pass it onto my children. I am in strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

The 20 year limit on our permits is both unfair and discriminatory to single out one type of business and impose a finite term on our permits. No other commercial watersports business is subject to this punitive measure.

DLNR confirms we are the only watersports business that is subject to this type of requirement. In fact, it is written in the statues and not the administrative rules which are issued to govern watersports activities including jet ski and parasail.

Permit holders that have met the state's requirements in the statue (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their own businesses in perpetuity. Our type of business requires capitalization to ensure safe operations, extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

Thank you,

Christopher Haines  
Owner/Operator

# JEANNINE JOHNSON

5648 Pia Street, Honolulu, Hawai'i 96821

Phone: 373-2874 (h) / 537-7261 (w)

March 23, 2010

## COMMITTEE ON FINANCE

Rep. Marcus R. Oshiro, Chair

Rep. Marilyn B. Lee, Vice Chair

Re: SB 2019, SD1, HD1 RELATING TO THE MAX. TERM OF COMMERCIAL  
USE AND OPERATOR PERMITS FOR THRILL CRAFT & PARASAILING  
Hearing: Thursday, March 25, 2010 at 3:30 pm in Conf. Room 308

Aloha Chair Oshiro, Vice Chair Lee and Honorable Committee Members,

I strongly oppose SB2019, SD1, HD1 which removes the twenty-year limit for state parasailing and thrill craft permits, makes those permits renewable annually and directs the Department of Land and Natural Resources (DLNR) to offer for public auction permits that have been revoked for cause.

I grew up and still live near to Maunalua Bay, one of Hawai'i's largest bays that stretches from Kawaihoa (Kokohead) to Kūpikipiki'ō (Black Point). Maunalua Bay was formerly home to a great abundance of fish and fishponds. Since ancient times, stories recorded the great schools of mullet that traveled through Maunalua each year. Fish were so abundant that they would stretch as far as the eye could see and great flocks of birds from Canada would feast on the bounty.

Maunalua Bay is currently heavily used for intense commercial and personal recreational activities every week, including thrill craft and parasailing. Based on their long relationship with the waters of Maunalua Bay and their deep cultural understanding of the ocean, numerous kupuna who grew up in the area and fished in the waters of Maunalua Bay speak of the significant negative effects jet skis have had on the reef fish population and in the decline of the health of the Bay in general. According to *Personal Watercraft Illustrated*, an average two-hour "thrill" ride on a thrill craft can dump between 3 and 4 gallons of gas and oil into the water and emits twice as much pollution as an equivalently powered motorboat. Many shoreline property owners who live on the shore of Maunalua Bay have also complained about the high-pitched, chainsaw-like whine of jet skis.

Our community is currently working hard to return Maunalua Bay to the healthy, flourishing area it once was. The Maunalua Bay Reef Restoration project, coordinated by the Nature Conservancy and Mālama Maunalua, will receive \$3.4 million in stimulus funding to remove 22 acres of invasive algae from the Bay. For the past three years, volunteers in our community have regularly pulled tons of alien algae that have caused a severe loss of coral and marine life. These volunteers include residents, businesses and school children from the area. These concerted efforts will be all for nothing if commercial parasailing and thrillcraft businesses are continued to allow to operate in the Bay.

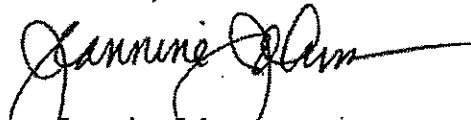
COMMITTEE ON FINANCE

March 23, 2010

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E ola ke kai, e ola kākou (as the ocean thrives, so do we.) Please kōkua and oppose SB2019, SD1, HD1 or amend it to allow for a public hearing at renewal so communities can provide input on the commercial activities occurring in the public resources in their area.

Mahalo,



Jeannine Johnson

cc: Sen. Sam Slom  
Rep. Gene Ward  
Rep. Lyla Berg  
Rep. Barbara Marumoto