



March 25, 2010

Committee on Finance
 Rep. Marcus Oshiro, Chair
 Rep. Marilyn Lee, Vice Chair

LATE TESTIMONY

- Representative Henry J.C. Aquino
- Representative Karen Leinani Awana
- Representative Tom Brower
- Representative Isaac W. Choy
- Representative Denny Coffman
- Representative Sharon E. Har
- Representative Gilbert S.C. Kelth-Agaran
- Representative Chris Lee
- Representative Scott Y. Nishimoto
- Representative Roland D. Sagum
- Representative James Kunane Tokicka
- Representative Jessica Wooley
- Representative Kyle T. Yamashita
- Representative Lynn Finnegan
- Representative Gene Ward

RE: SB2019 LATE TESTIMONY

Honorable Chair Oshiro, Vice Chair Marilyn Lee, Committee members:

My name is Jeffrey Krantz and I own SeaBreeze Parasailing Co. Ltd. I will be present to testify on SB2019. This bill, in its revised form, seeks to correct discriminatory provisions in HRS 200-37.

Parasailing and Jet Skiing are the ONLY permitted activities that:

1. Pay a percentage of their gross revenues – 3% - to DL&NR
2. Have a statutory provision that governs the permit issuance by the administrative authority, DL&NR – Division of Boating. The other commercial ocean activities are not subject to a similar statute.
3. Have a statutory provision that demands an expiration of their permit after a fixed term and puts that permit up for public auction.

Parasailing

Jet Skiing

Banana Boat

DiviNG

and more..



Submarines, catamarans, diving, kayaking, powerboat rides, dolphin cruises, dinner cruises all make extensive use of the ocean resource. They are not subject to either state percentage fees or permit expiration. We could argue these other activities are much heavier users and should be contributing percentage revenue. DL&NR agrees all activities should be treated equally.

In any event, the provisions of the law must be corrected to remove the discrimination. If the committee feels public comment is required prior to permit renewal, apply this burdensome task to all commercial ocean activities that use resources from Kaneohe Bay to Waikiki to Maui, Kauai and the Big Island. This is a monumental task which is why the State of Hawaii invested heavily in an environmental study to determine what commercial recreational activities could co-exist in our state. Administrative rules were developed to support the recommendations for use. Community concerns were heard and addressed; doing this annually may be an administrative hardship.

They took many things into consideration and actually reduced the number of permitted activities; today in our particular bay it is even less. As the economy deteriorates, we may see further reductions.

Lifting the permit term expiration is the right thing to do; consistency among the commercial businesses who use our marine resources is correct. Please move this bill forward in a form that is not discriminatory.

Thank you

Jeffrey KRantz

PAPA'SailLife

Jet SKIING

BANANA BOAT

DIVING

AND MORE...