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GOVERNOR OF HAWAII



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

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**Testimony of  
LAURA H. THIELEN  
Chairperson**

**Before the House Committee on  
WATER, LAND, AND OCEAN RESOURCES**

**Monday, March 8, 2010  
10:00 AM  
State Capitol, Conference Room 325**

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

Senate Bill 2019, Senate 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.

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BOARD OF LAND AND NATURAL RESOURCES  
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BOATING AND OCEAN RECREATION  
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HISTORIC PRESERVATION  
KAIHOLAWE ISLAND RESERVE COMMISSION  
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## Ocean Tourism Coalition

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March 8, 2010

Testimony To: House Committee on Water, Land, & Ocean Resources  
Representative Ken Ito, Chair

Presented By: Tim Lyons, CAE  
Executive Director

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

Chair Ito 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.

Under the terms of the House version each permit operator would have to ask for a renewal by the Department at every five (5) year period while all other commercial permits are renewable annually and we see no reason to make this one different. We suggest adoption of the Senate version which allows for one (1) year permits like all others. In regards to the new subsection (m) (4) we would propose eliminating it or re-wording it to read:

"The permit holder shall be in compliance with any conditions required by the department when community or other complaints filed with the department have been substantiated."

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

Thank you.