

# SB2850

Authorizes the Department of Land and Natural Resources to assume control of and remove a vessel grounded on a coral reef or in imminent danger of breaking up if the vessel cannot be removed by the owner within twenty-four hours of the grounding.

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



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

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LAND  
STATE PARKS

**Testimony of  
WILLIAM J. AILA, JR.  
Chairperson**

**Before the Senate Committee on  
WATER, LAND & HOUSING**

**Thursday, February 9, 2012  
1:15 P.M.  
State Capitol, Conference Room 225**

**In consideration of  
SENATE BILL 2850  
RELATING TO GROUNDED VESSELS**

Senate Bill 2850 seeks to authorize the Department of Land and Natural Resources (Department) to assume control of and remove a vessel grounded on a coral reef or in imminent danger of breaking up if the vessel cannot be removed by the owner within twenty-four hours of the grounding. The Department strongly supports this Administration measure.

Currently, Section 200-47.5(b), Hawaii Revised Statutes, allows vessels grounded on coral reefs or in imminent danger of breaking up to be removed by the owner within seventy-two hours. Seventy-two hours is deemed far too long to leave a vessel grounded on a coral reef or in imminent danger of breaking up. The Department has experienced vessels grounded: (1) on a coral reef causing extensive and irreparable damage; and (2) breaking apart due to wave action, which creates marine pollution and a hazard to the natural resource.

This bill would ensure that grounded vessels are removed in a timely manner and reduce costs to the Department for having to salvage vessels that have broken apart or been deposited in hard to reach areas due to the time it took the owner to act on the removal.



**COMMITTEE ON WATER, LAND, AND HOUSING**

Thursday, February 09, 2012

1:15 PM

State Capitol, Conference Room 225

In consideration of **SB 2850**

**RELATING TO MARINE LIFE**

**James E. Coon, President**

**Ocean Tourism Coalition**

Speaking in **Conditional Support of SB 2850**

**Chair Senator Donovan Dela Cruz, Vice Chair Malama Solomon and Members of the committee:**

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC) Hawaii's State-wide organization. We represent the 300 Small Commercial Passenger Vessels operating out of State Harbor facilities. We speak in **Conditional Support of SB 2850 with proposed amendments:**

We agree with the intent of this bill and protecting the reef from abandoned or derelict vessels. Commercial operators are highly motivated to save their vessels and do as little damage to the reef or environment as possible. We want to see language that would protect the rights of the vessel owner to have the first right to coordinate the salvage of his own vessel. This is especially important for the commercial operators whose vessels may be worth well over a Million dollars. We agree that competent salvage operations need to be well underway within 24 hours. In certain circumstances it may take longer than twenty four hours to complete a salvage operation. These instances are often governed by tide, winds, and swell action and availability of an appropriate tug to complete the salvage in the best way possible for the environment and the vessel. We believe it could be counterproductive to have DLNR automatically assume management of the operations mid way through the salvage and could make the final outcome worse not better.

We would support DLNR intervention in the salvage process after 24 hours if no effective salvage operation had been initiated. Here are some reasonable conditions that could be imposed on the vessel owner that wished to continue to be the primary agent in salvaging his vessel after the first 24 hours.

- Proof of a Marine Insurance policy listing the State of Hawaii as additional insured for at least \$1,000,000.

- Evidence that salvage efforts were already underway with reasonable evidence that the vessel could be saved within the next 48 hours (or longer if it could be determined that additional environmental damage was highly unlikely).

If you pass this bill SB 2850, please amend it to reflect the rights of the vessel owner to be the primary agent in the salvaging of his vessel as long as the owner is actively and effectively completing the salvage. At the end of the day, it should be the objective of all parties is to save the vessel if possible with as little damage to the environment as possible.

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-870-9115.

Sincerely,

James E. Coon, President  
Ocean Tourism Coalition  
808-870-9115  
[captcoon@gmail.com](mailto:captcoon@gmail.com)

incentive to improve their facilities, the likelihood that more of these facilities will be kept in continued operation, and fewer decommissioned due to the cost of complying with the new regulations, will be increased. We believe that with the assistance of these special purpose revenue bonds, dams and reservoirs can continue to serve as a valuable water resource for Hawaii's agricultural industry and its communities.

Based on the aforementioned, we respectfully request your favorable consideration on this bill. Thank you for the opportunity to testify.