

STAND. COM. REP. NO. 2468

Honolulu, Hawaii

FEB 19 2014

RE: S.B. No. 2877  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Water and Land, to which was referred S.B. No. 2877 entitled:

"A BILL FOR AN ACT RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that no use permit for a state small boat harbor facility may be transferred unless specifically provided by law.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from Ocean Tourism Coalition, Maui Dive Shop, and Fair Wind Cruises.

Your Committee finds that this measure seeks to clarify that use permits issued to a corporation or other business entity for a state small boat harbor facility may only be transferred if the corporation or other business entity holds a valid commercial use permit. This measure prevents people from bypassing the waitlist for a regular mooring permit by acquiring a corporation or other business entity holding a regular mooring permit.

Your Committee has amended this measure on the recommendation of the Department of Land and Natural Resources (DLNR) by:

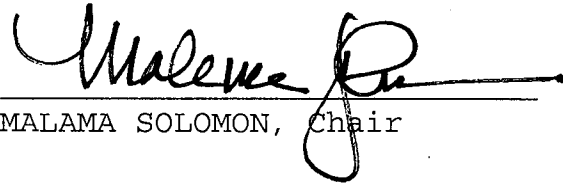
- (1) Defining the terms "control" and "transfer";



- (2) Exempting transfers of stock or interest in a corporation or other business entity between immediate family members solely for estate planning purposes from paying the DLNR a business transfer fee; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2877, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2877, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Water and Land,

  
MALAMA SOLOMON, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

|  |                     |          |     |         |
|--|---------------------|----------|-----|---------|
| Bill / Resolution No.:*  | Committee Referral: | Date:    |     |         |
| SB 2877  | WTL                 | 2/14/14  |     |         |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |                     |          |     |         |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |                     |          |     |         |
| Members  | Aye                 | Aye (WR) | Nay | Excused |
| SOLOMON, Malama (C)  | ✓                   |          |     |         |
| GALUTERIA, Brickwood (VC)  | ✓                   |          |     |         |
| DELA CRUZ, Donovan M.  |                     |          |     | ✓       |
| IHARA, Jr., Les  | ✓                   |          |     |         |
| RUDERMAN, Russell E.   |                     |          |     | ✓       |
| SHIMABUKURO, Maile S.L.  | ✓                   |          |     |         |
| TANIGUCHI, Brian   | ✓                   |          |     |         |
| THIELEN, Laura H.  | ✓                   |          |     |         |
| SLOM, Sam  | ✓                   |          |     |         |
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| <b>TOTAL</b>   | 7                   |          |     | 2       |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |                     |          |     |         |
| Chair's or Designee's Signature: _____   |                     |          |     |         |
| <b>Distribution:</b> Original    Yellow    Pink    Goldenrod<br>File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy   |                     |          |     |         |

\*Only one measure per Record of Votes