

**HB 1733,
HD2**

DAVID Y. IGE
GOVERNOR OF
HAWAII



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

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HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
WATER, LAND, AND AGRICULTURE**

**Monday, March 14, 2016
2:45 PM
State Capitol, Conference Room 224**

**In consideration of
HOUSE BILL 1733, HOUSE DRAFT 2
RELATING TO USE PERMITS FOR SMALL BOAT FACILITIES**

House Bill 1733, House Draft 2, proposes to authorize commercial permit holders for small boat harbors to submit permit renewal applications early and be informed of any reasons for a nonrenewal prior to the expiration of the commercial permit. The measure also authorizes a thirty-day grace period for persons who fail to timely file a commercial permit renewal application. **The Department of Land and Natural Resources (Department) does not support this measure.**

The Hawaii Administrative Rules (HAR) allow a permittee to submit a commercial permit renewal application up to ninety days in advance and also provides for a thirty day grace period in the event a permittee fails to submit the renewal application prior to the expiration of the commercial permit. The HAR also assesses a penalty of \$250.00.

This measure also proposes to require the Department to review an application submitted sixty days prior to expiration and, within thirty days of receipt of the application, either renew the permit or notify the applicant that the application is incomplete or cannot be renewed for other reasons and explain the reasons for the nonrenewal. The Department makes every effort to respond in a timely manner; however, there are many factors that come into play when renewing a commercial use permit i.e. review of corporate standing, gross receipts review and possible audit, change of ownership, vessel lease review, staffing, etc. Due to these and other factors, the Department does not support placing deadlines in the Hawaii Revised Statutes and recommends that commercial permittees continue to follow the current HAR.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
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
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



COMMITTEE ON WATER, LAND, AND AGRICULTURE

Senator Mike Gabbard, Chair

Senator Clarence K. Nishihara, Vice Chair

DATE: Monday, March 14, 2016

TIME: 2:45 p.m.

PLACE: Conference Room 224

**TESTIMONY OF JAMES COON SPEAKING IN STRONG SUPPORT OF HB 1733,
HD2**

Aloha Chair Senator Gabbard, Vice Chair Senator Nishihara, and Members of the Committee on Water, Land, and Agriculture:

My name is James E. Coon, President of the Ocean Tourism Coalition. The OTC represents over 300 small ocean tourism businesses state wide. Most of these are family businesses which are locally owned and operated. Many of them have been in business for several decades and are an important and valued part of their respective communities. Most of these businesses operate from State Boating Facilities. We support this bill.

Members of OTC have expressed a concern that the permit renewal process needs to be improved to promote communication and fairness during a permit renewal process. Hawaii Administrative Rules allows permit holders to apply for permit renewal up to 90 before permit expiration. The original intent of HB1733 was for permit holders that do submit their permit renewals early would be informed of any issues or concerns well before the expiration of the permit so they would have an opportunity to rectify any deficiencies.

HB1733HD2 will facilitate annual permit renewals by asking DOBOR to give a response within 30 days of receiving the permit application. This will allow the parties involved in the permit application to have ample time to

respond to issues. This bill will also provide a reasonable extension of 30 days past the permit renewal deadline to respond to any concerns raised by DOBOR.

This time period will allow companies to keep their employees employed, and keep their businesses running while they are responding to DOBOR issues. Overall, this bill creates reasonable and flexible standards in the permit renewal process.

We humbly ask you to pass HB 1733HD2.

Sincerely,

James E. Coon, President OTC
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COMMITTEE ON WATER, LAND, AND AGRICULTURE
Senator Mike Gabbard, Chair
Senator Clarence K. Nishihara, Vice Chair

Date/Time of Hearing: March 14, 2016, 2:45 PM
Measure No. and Title: HB1733

SUPPORTIVE TESTIMONY

Chair Gabbard, Vice Chair Nishihara and Senators of the WLA Committee:

Quicksilver Charters and its affiliates (the “Company”) employ close to 100 people in Hawaii’s boating and tourism industries. HB1733 promotes communication and fairness during a permit renewal process. We do, however, suggest the following language to simplify the bill and avoid ambiguities.

...within thirty days of receipt of the application, **“shall (1) renew the applicant’s permit; or (2) notify the applicant of any deficiencies in the application or violations that may result in nonrenewal of the permit.”**

HB1733 allows permit holders to submit their permit renewals early so they can be informed of any issues or concerns before the expiration of the permit. HB1733 will facilitate annual permit renewals by asking DOBOR to give a response within 30 days of receiving the permit application, but only if the applicant submits their permit renewal application early.

This will allow the parties involved in the permit application to have ample time to respond to issues. This bill will also provide a reasonable extension of 30 days past the permit renewal deadline to respond to any concerns raised by DOBOR. This time period will allow companies to keep their employees employed, and keep their businesses running while they are responding to DOBOR issues.

Overall, this bill creates reasonable and flexible standards in the permit renewal process.

Sincerely,

Zachary LaPrade

From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: denver.coon@sailtrilogy.com
Subject: Submitted testimony for HB1733 on Mar 14, 2016 14:45PM
Date: Sunday, March 13, 2016 7:54:18 AM

HB1733

Submitted on: 3/13/2016

Testimony for WLA on Mar 14, 2016 14:45PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Denver Saxton Coon	Individual	Support	No

Comments: HB1733HD2 facilitates annual permit renewals by asking DOBOR to give a response within 30 days of receiving the permit application. This will allow the parties involved in the permit application to have ample time to respond to any issues that may arise. This is a reasonable bill that encourages operators to submit permit applications well in advance, leading to greater efficiency and far less anxiety in the permit renewal process. Please pass this bill.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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