

DAVID Y. IGE
GOVERNOR OF
HAWAII



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
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
WAYS AND MEANS**

**Thursday, March 31, 2016
9:05 AM
State Capitol, Conference Room 211**

**In consideration of
HOUSE BILL 2235, HOUSE DRAFT 1, SENATE DRAFT 1
RELATING TO HONOKOHAU SMALL BOAT HARBOR**

House Bill 2235, House Draft 1, Senate Draft 1, proposes to authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau Small Boat Harbor to a public-private partnership or a private organization. The measure also appropriates funds for repairs and maintenance of the harbor. **The Department of Land and Natural Resources (Department) supports this measure.**

The Department feels it is time to move the State Small Boat Harbor Program in a new direction and would prefer that the Legislature support Senate Bill 2900 and House Bill 2371 which are the Department's administrative proposals. These bills would accomplish the same outcome but also allow the Department to enter into similar agreements with the rest of the State small boat harbors. Allowing the Department to enter into public-private partnerships or working with private organizations would free up valuable staff time and resources that can be allocated to the management of the State's navigable waters and near shore areas that are in dire need of resource protection.

Finally, while the Department is supportive of the funding for the Honokohau Small Boat Harbor, the Department respectfully requests that the Legislature support the Capital Improvement Projects found in the Administration's Supplemental Budget request.



**Department of Land and Natural Resources
Aha Moku Advisory Committee
State of Hawaii
Post Office Box 621
Honolulu, Hawaii 96809**

**Testimony of
Piilani Kaawaloa
Aha Moku Advisory Committee Member, Moku O Keawe**

**Before the Senate Committee on
Ways and Means**

**Thursday, March 31, 2016
9:05 A.M.
Conference Room 211**

**In consideration of
HOUSE BILL 2235 HD 1 SD 1
RELATING TO HONOKOHAU SMALL BOAT HARBOR**

House Bill 2235 HD 1 SD 1 proposes to authorize the board of land and natural resources to transfer the operation, administration, management, and maintenance of Honokohau small boat harbor to a public-private partnership, or a private organization. It further appropriates funds for repairs and maintenance of the harbor. **Aha Moku supports this measure.**

The Honokohau Harbor is located within the Ahupua'a of Honokohauiki, Kona Moku on the Mokupuni (Island) of Moku O Keawe (Hawaii). The area has long been used by local fishermen even before the Honokohau Harbor was built in 1965. It has a natural harbor and a thriving fishery that has been the fishery used not only by the Honokohauiki Ahupua'a, but the neighboring ahupua'a of Puapua'a (where Kailua-Kona is located), Holualoa, Kaloko, O'oma and Kalaoa (where the Kona Airport is located). It is next to the Kaloko-Honokohau National Historic Park which houses the Ai'io'io Fishpond – an ancient Native Hawaiian fishpond that supplemented the fishery subsistence connected with Honokohau.

It is because of this history of Honokohau that Aha Moku supports a community-based board of Hawaii County. However, we ask that a community member of the Ahupua'a of Honokohauiki who is a subsistence fisherman (*lawaiia*) and who has traditional knowledge of the natural and cultural resources of Honokohau be a member of the newly created board. Honokohau Harbor is now a public entity that welcomes all to use it. Therefore, in order to ensure the historic and cultural importance of the area where the Honokohau Harbor is located is included, we believe that this traditional fisherman (*lawaiia*) of this ahupua'a should be included in any discussion and decision-making made on a community-based board.

Thank you for the opportunity to testify on this bill.



**KONA-KOHALA
CHAMBER
OF COMMERCE**

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March 30, 2016

**Testimony to the Ways and Means Committee
March 31, 2016 at 9:05 A.M.
Conference Room 211, State Capitol**

RE: HOUSE BILL 2235 HD1, SD1 RELATING TO HONOKOHAU SMALL BOAT HARBOR

Dear Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee,

The Kona-Kohala Chamber of Commerce (KKCC) *strongly supports HB 2235 HD1, SD1.*

The KKCC is West Hawai'i Island's leading business organization, representing over 540 businesses. As the largest business organization on Hawai'i Island and fourth largest chamber in the State, the KKCC exists to provide leadership and advocacy for a successful business environment in West Hawaii.

The Honokohau Small Boat Harbor remains unfinished, 40 years after it opened. Many of your constituents on the Hawai'i Island have likely expressed their concerns of completing, repairing, improving, maintaining and operating the Harbor facility by the DLNR Division of Boating and Ocean Recreation (DLNR-BOR). Our community deserves a world class Harbor as our ocean attracts many locals and visitors for recreation and fishing. Our Harbor has the potential to further grow our economy and therefore, much needed jobs in our community.

HB 2235 HD1, SD1 seeks to create a public-private partnership for Honokohau that would allow management to be undertaken at the local level, with closer communication between the boaters and the managers, and provide the opportunity for private parties to participate in completing the harbor's infrastructure and improving the facilities in a timely fashion.

For HB 2235 HD1, SD1, please consider making the following improvements to the bill:

- Provide for substantive involvement of the community in facilities management and development decisions for this area through facilitated dialogues with users of Honokohau Small Boat Harbor facilities and resources;
- Compel the DLNR to promulgate proposed rules for consideration in public hearing within 12 months of the effective date of this legislation;
- Compel the DLNR to issue a Request for Proposals within six months of Governor's approval of the final rules, with the purpose of the RFP being to solicit proposals from private applicants to manage Honokohau Harbor facility through a private company or a public-private partnership.

On behalf of over 540 businesses on the Hawaii Island, I urge you to pass HB 2235 HD1, SD1.

Sincerely,

Kirstin Kahaloa, Executive Director
Kona-Kohala Chamber of Commerce



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Twenty-Eighth Legislature, State of Hawaii
The Senate
Committee on Ways and Means

Testimony by
Hawaii Government Employees Association

March 31, 2016

H.B. 2235, H.D. 1, S.D. 1 – RELATING TO
HONOKOHAU SMALL BOAT HARBOR

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes H.B. 2235, H.D. 1, S.D. 1 which would authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of Honokohau Small Boat Harbor to a public-private partnership or a private organization.

While we certainly understand the importance of this harbor to the economic activity on the Big Island and specifically the Kona area, and we fully support the appropriation of adequate funding for the much needed repair and maintenance of this harbor, we oppose the transfer or privatization of the harbor operations at Honokohau Small Boat Harbor.

We are very concerned about turning over the administration and management of any public facility to a private entity. Accountability, control and responsibility are valid, relevant concerns every time privatization is considered. We are also very concerned about the potential impact to public employees employed at the Honokohau Small Board Harbor. This bill does not address how current department employees will be treated if a transfer in operations or management of the harbor occurs with a public-private partnership or private organization.

Thank you for the opportunity to provide testimony and we urge you to oppose H.B. 2235, H.D. 1, S.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director



HB2235 HD1 SD1
RELATING TO HONOKOHAU SMALL BOAT HARBOR
Senate Committee on Ways and Means

March 31, 2016

9:05 a.m.

Room 211

The Office of Hawaiian Affairs (OHA) submits the following **COMMENTS** on HB2235 HD1 SD1, which authorizes the Board of Land and Natural Resources (BLNR) to transfer the operation, administration, management, or maintenance of the Honokōhau small boat harbor to a public-private partnership or a private organization.

OHA acknowledges that the contemplated transfer of authorities may help to address long-standing problems facing Honokōhau small boat harbor users, including aging facilities; a lack of paving, lighting, and proper wash-down and pump-out areas for boats; and a repair and maintenance backlog.

DLNR's State Land Information Management System (SLIMS) shows that Honokōhau small boat harbor is located on public land trust land. Accordingly, the fiduciary obligations of the state with respect to the public land trust apply to the lands underlying the harbor, including legal requirements relating to OHA's constitutionally-mandated pro-rata share of public land trust revenues. Given the status of these lands as public land trust lands, the Committee may want to consider the following:

1. Specifying that any public-private partnership for the operation of Honokōhau small boat harbor shall be subject to Act 178, Session Laws of Hawai'i 2006, and any other law that provides for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6 of the state constitution, and section 10-3. OHA offers the following language for the Committee to consider: "Notwithstanding any provision of this chapter to the contrary, any public-private partnership that assumes duties pursuant to this section shall be subject to Act 178, Session Laws of Hawai'i 2006, and any other law that provides for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6 of the state constitution, and section 10-3."
2. Specifying that any private organization operating Honokōhau small boat harbor shall be subject to a provision whereby revenue generated could be shared with the state.

Mahalo for the opportunity to testify on this measure.