

SB 2903

DAVID Y. IGE
GOVERNOR OF
HAWAII



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

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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
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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
WATER, LAND, AND AGRICULTURE**

**Monday, February 8, 2016
10:00 A.M.
State Capitol, Conference Room 224**

**In consideration of
SENATE BILL 2903
RELATING TO TRANSFERABILITY OF MOORING PERMITS**

Senate Bill 2903 proposes to allow a holder of a mooring permit within state small boat harbors to transfer the mooring permit to the new vessel owner under certain terms and conditions. **The Department of Land and Natural Resources (Department) strongly supports this Administration measure.**

Currently, no use permit for state small boat harbors issued by the Department is transferrable unless provided for by law. As such, there is no law allowing the transfer of mooring permits that are presently issued by order of seniority from a waitlist. This method of issuance limits the ability of vessel owners to sell their vessels because the potential buyer of the vessel may not already have a place to berth the vessel or have difficulty in procuring a mooring permit for the vessel.

Senate Bill 2903 would establish a procedure to allow a mooring permit to be transferred to the next vessel owner by way of sale at fair market value to ensure that the sale price of vessels will not be unreasonably inflated in order to profit from the transfer of a mooring permit.



COMMITTEE ON WATER, LAND, AND AGRICULTURE

Senator Mike Gabbard, Chair

Senator Clarence K. Nishihara, Vice Chair

DATE: Monday, February 08, 2016

TIME: 10:00 am

PLACE: Conference Room 224

**TESTIMONY OF THE OCEAN TOURISM COALITION
SPEAKING IN OPPOSITION OF SB2903 RELATING TO STATE BOATING
FACILITIES**

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

My name is James E. Coon, President of the Ocean Tourism Coalition. **Speaking in Opposition to SB 2903 as written.** The OTC represents over 300 small ocean tourism businesses state wide. It is the consensus of our members that while we appreciate the possible good intent by DOBOR in SB 2903 to help the unfortunate individual who has a boat they cannot sell because there is no place to moor it within the State, that this legislation is flawed in many ways and seems to be premature without first vetting it with the current stakeholders.

There would likely be many unintended consequences to this legislation: Like how would this legislation impact individuals across the State who have faithfully been on the various wait lists-- sometimes for decades--for a slip or a mooring? By requiring the sales price of the vessel to be established by a State of Hawaii registered boat surveyor a host of other issues are created: Many of the top ship and boat surveyors across the State do not have a State Boat Surveyor License which may have less prestige than the National License they currently hold. Consequently there are islands that

have qualified Boat Surveyors on that island but do not have a State Licensed Boat Surveyor and would have to fly in the State Surveyor to do the survey.

Additionally boat surveys are very subjective and are merely a suggested value for a particular vessel. The ultimate value has always been the price a motivated buyer and a motivated seller agree upon. The State should not interfere with this fundamental concept of the marketplace.

Because there are State Boating Facilities in most if not all legislative districts, the Senator from that district still has the most intimate knowledge of what would be good for the people in their district and as their elected representative would be in a very appropriate position to weigh in on issues such as this measure suggests, yet those stakeholders have not yet had that opportunity to be informed of this measure and give that important feed back to their elected legislators. In light of these many unanswered questions we humbly ask that this bill not move forward.

Sincerely,

James E. Coon, President OTC
808-870-9115
captcoon@gmail.com

From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: rgaffney@pacificboatsales.com
Subject: Submitted testimony for SB2903 on Feb 8, 2016 10:00AM
Date: Sunday, February 07, 2016 1:02:34 PM

SB2903

Submitted on: 2/7/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Rick Gaffney	Hawaii Fishing & Boating Association	Oppose	No

Comments: his bill is poorly thought out, illogical, impractical and over-burdensome. Moreover a major change like this should only be undertaken after a series of public meetings and hearings that allow the general public to weigh in and all impacts on the boating community fully considered. The appraisal process is unworkable in most neighbor island communities do to a lack of State certified surveyors in many places. The sale price terms ignore market realities. This rule change disenfranchises those on the wait lists at every small boat harbor in the State. This bill seems to be looking for a problem that does not exist. Please vote against this bill and send it back to whoever requested it for reconsideration in a public forum.

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FEBRUARY 7, 2016

COMMITTEE ON WATER, LAND AND AGRICULTURE

Senator Mike Gabbard, Chair

Senator Clarence K. Nishihara, Vice Chair

Date: Monday , Feb 8, 2016

Time: 10:00 am

Place: Conference Room 224

OPPOSE SB2903

Senator Gabbard Chair, Senator Nishihara Vice Chair and Senators on the Committee:

Thank you for the opportunity to give testimony on bill SB2903. My name is Melynda Dant. I am the Vice President of Fair Wind Cruises and Kona Sunrise Charters in Keauhou Kona. Our businesses are family owned 45 year old snorkel cruises. We have 2 vessels in the companies we own. I am against this bill for two reasons.

The first reason: I do not believe the state of Hawaii should be limiting a business from selling assets at the price the free market place determines, whether tied to an appraisal or not. In the United States, the government does not tell businesses what dollar amount assets MUST be sold.

The other part of this bill is vague, and confusing. This bill could allow non-commercial permit holders access to commercial permits by way of purchasing a commercial vessel and changing mooring holder name to a corporation. This is going to promote more over-crowding, the exact opposite from what some of these other bills are trying to do. Many commercial snorkel destinations are crowded and often unavailable due to high surf conditions, making the few protected locations very crowded and overused. We need to make sure we aren't turning our paradise to an overly commercialized experience, ruining our natural resources for those visiting as well as those that live here.

Thank you for giving me this opportunity, please oppose this bill.

Melynda Dant
Vice President
Fair Wind Cruises
Kona Sunrise Charters
Keauhou Bay, Hawaii

From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: jackie@fair-wind.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Thursday, February 04, 2016 2:44:14 PM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Jackie Moore-Andresen, PHR	Fair Wind Cruises	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: zlaprade@aol.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Saturday, February 06, 2016 4:13:33 PM

SB2903

Submitted on: 2/6/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Quicksilver Charters	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: finance@fair-wind.com
Subject: Submitted testimony for SB2903 on Feb 8, 2016 10:00AM
Date: Thursday, February 04, 2016 4:08:03 PM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Alicia Starsong	Individual	Comments Only	No

Comments: This is a very interesting attempt to correct a system that has gone awry. If this bill was in place before a harbor / mooring area was populated it would have been fair, but forcing compliance now could cause large losses to commercial mooring holders who wish to sell. Yes, the price of corporations holding mooring permits have skyrocketed over the years; yes persons wishing to sell personal vessels too large to trailer launch find it difficult to find a purchaser who has a mooring to move the vessel into. It seems to me that this Bill should be split, with one dealing with commercial vessels/moorings and another dealing with private/recreational vessels and their moorings. In regards to private/recreational vessels all too often you will find a vessel that is registered to someone that actually has no interest in participating in the vessel, other than the fact that they have claim to a mooring. So, yes, in regards private/recreational vessel sales this bill could be a solution. This Bill does not seem equitable to businesses that have paid large amounts over the value of a vessel in order to get the mooring that comes with it. How are they to recoup their investment? Perhaps a clause limiting sale to purchase price with allowance for improvements, inflation and or depreciation? This seems like too much government involvement to me.

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To: [WLA Testimony](#)
Cc: strsng@yahoo.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Thursday, February 04, 2016 10:35:53 AM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Starsong	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: jennydant@me.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Thursday, February 04, 2016 12:22:03 PM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: melanie@fair-wind.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Thursday, February 04, 2016 3:06:28 PM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Melanie Eccard	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: penn@fair-wind.com
Subject: *Submitted testimony for SB2903 on Feb 8, 2016 10:00AM*
Date: Thursday, February 04, 2016 10:59:31 AM

SB2903

Submitted on: 2/4/2016

Testimony for WLA on Feb 8, 2016 10:00AM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Penn Henderson	Individual	Oppose	No

Comments:

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