

DAVID Y. IGE
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committees on
OCEAN, MARINE RESOURCES, & HAWAIIAN AFFAIRS
and
WATER & LAND**

**Tuesday, March 21, 2017
9:35 AM
State Capitol, Conference Room 312**

**In consideration of
HOUSE CONCURRENT RESOLUTION 106
REQUESTING THE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE
DEPARTMENT OF LAND AND NATURAL RESOURCES' DIVISION OF BOATING AND
OCEAN RECREATION**

House Concurrent Resolution 106 requests the Auditor to conduct a performance audit of the Department of Land and Natural Resources' Division of Boating and Ocean Recreation. **The Department of Land and Natural Resources (Department) offers the following comments.**

The Department welcomes a fair and independent audit as an opportunity to improve our work. The Department regularly reports financial information in Legislative reports and a multitude of budget forms for special, general, and capital improvement project funds. The Department is willing to provide additional information to Legislators, auditors, or any other interested parties.

Like other departments, the Department is regularly audited, such as the Annual Departmental Audit – (completed by Ohata, Chun, Yuen, LLP).

The Department strives to be transparent and proactive, so we would appreciate the opportunity to address any additional questions that are giving rise to an audit recommendation now, rather than waiting for a long and protracted audit process.

The Department respectfully offers the following suggested amendments to House Concurrent Resolution 106:

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

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the Senate concurring, that the Auditor is requested to conduct a performance audit of the Department of Land and Natural Resources' Division of Boating and Ocean Recreation addressing the following matters:

- (1) Statutory requirements for the management and administration of statewide ocean recreation and coastal areas programs pertaining to the ocean waters and navigable streams of the State (exclusive of commercial harbors) which include 21 small boat harbors, 54 launching ramps, 13 offshore mooring areas, 10 designated ocean water areas, 108 designated ocean recreation management areas, associated aids to navigation throughout the State, and beaches encumbered with easements in favor of the public, as well as registry of small vessels;
- (2) Review of actions taken by the Division to communicate with the boating community, including constituent meetings, communications with representatives of the boating community, public hearings, establishment of advisory councils, and addressing user conflicts;
- (3) Review of actions taken by the Division and by the Board of Land and Natural Resources in interpreting and enforcing administrative rules;

- (4) Review of actions taken by the Division and by the Department of Land and Natural Resources to respond to complaints from constituents and from public officials about division management, employee misconduct and ethics violations;
- (5) Capital improvement project needs identified to maintain these public facilities statewide, including:
- i. a list of current identified capital project needs,
 - ii. estimated costs to complete those projects,
 - iii. requests from public and private entities or persons to address facilities issues and whether those projects would provide a public or private benefit,
 - iv. adequacy of funding appropriated by the legislature for capital improvement projects;
 - v. actions the division has taken to address specific identified facilities issues in the past three years, and the costs associated with such projects; and
 - vi. the methodology the division uses to prioritize facilities issues in light of the total estimated cost versus the amount of funding available, such as imminence of threat; public benefit of projects; and feasibility of projects; and
 - vii. results to date and remaining needs;

(6) Review of actions taken by the Division and by the Department of Land and Natural Resources to ensure that state resources are being adequately accounted for and used according to statutes, rules, and policies;

BE IT FURTHER RESOLVED that the Auditor is requested to examine whether the Division is using government resources in compliance with statutes, rules, and policies; whether the Division's activities are achieving their objectives; and whether those activities are being conducted effectively, efficiently, economically, ethically, and equitably; and

Thank you for the opportunity to comment on this measure.

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 18, 2017 1:03 PM
To: omhtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HCR106 on Mar 21, 2017 09:35AM*

HCR106

Submitted on: 3/18/2017

Testimony for OMH/WAL on Mar 21, 2017 09:35AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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HCR106

Submitted on: 3/20/2017

Testimony for OMH/WAL on Mar 21, 2017 09:35AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Shiroma	Individual	Support	No

Comments: Alleged Corruption In DLNR Boating Division (Feb. 26, 2017)
<https://www.youtube.com/watch?v=4Q-LBG9FGWA> Please watch this video narrated by Hawaii County Prosecutor..

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HCR106

Submitted on: 3/20/2017

Testimony for OMH/WAL on Mar 21, 2017 09:35AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Rick Gaffney	Pacific Boats & Yachts LLC	Support	No

Comments: We strongly urge the legislature to pass HCR106 to trigger an audit of the Department of Land & Natural Resources, Division of Boating and Ocean Recreation (DLNR-BOR). Give recent revelations of graft and corruption in the DLNR-BOR, allegations of retaliation against whistle blowers and the agency's management ineptitude, the citizens of Hawaii deserve an independent legislative audit of this division. Mahalo, Rick Gaffney

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