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KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Wednesday, February 28, 2018  
12:00 PM  
State Capitol, Conference Room 308**

**In consideration of  
HOUSE BILL 2098, HOUSE DRAFT 1  
RELATING TO SMALL BOAT HARBORS**

House Bill 2098, House Draft 1 proposes to authorize the Board of Land and Natural Resources to transfer to the Kaho‘olawe Island Reserve Commission (KIRC) the Board's duties to operate, administer, manage, and maintain the Kihei Small Boat Harbor and authorize KIRC to undertake those duties. **The Department of Land and Natural Resources (Department) supports this measure to the extent that KIRC is amicable to the transfer and offers the following comments.**

The Department's Division of Boating and Ocean Recreation currently operates, administers, manages, and maintains the Kihei Launch Ramp facility for both recreational and commercial vessel use. Revenues generated at the facility are deposited into the Boating Special Fund and are used to support the statewide boating and ocean recreation program.

The Department recognizes that KIRC depends on the Kihei Small Boat Harbor as its primary launching area for vessels traveling to Kaho‘olawe and that it manages the adjacent property. The Department is open to working with KIRC on investigating this endeavor and seeing if it is financially viable for them. If this is a viable endeavor, the Department could use a limited amount of funds that are directly generated at the Kihei Small Boat Harbor to accomplish the transfer.

Thank you for the opportunity to comment on this measure.



*KŪKULU KE EA A KANALOA*  
**KAHO`OLAWE ISLAND RESERVE COMMISSION**

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*Executive Director*

**Testimony of**  
**MICHAEL K. NĀHO`OPTI**  
**Executive Director**

**Before the House Committee on**

**FINANCE**

**Wednesday, February 28, 2018**  
**12:00 PM**  
**State Capitol, Conference Room 308**

**In consideration of**  
**HOUSE BILL 2098 HOUSE DRAFT 1**  
**RELATING TO SMALL BOAT HARBORS**

House Bill 2098 HD1 authorizes the Board of Land and Natural Resources to transfer to the Kaho`olawe Island Reserve Commission the Board's duties to operate, administer, manage and maintain the Kīhei Small Boat Harbor and authorizes the Kaho`olawe Island Reserve Commission to undertake those duties. The Kaho`olawe Island Reserve Commission (KIRC) supports the intent of this measure as a potential revenue source to help fund the restoration of the Kaho`olawe Island Reserve but is still investigating the ramifications of undertaking this endeavor.

In 2002, Governor Linda Lingle signed Executive Order No. 3963, which set aside 8.261-acres adjacent to the Kīhei Small Boat Harbor for the KIRC to develop an Education/Administration/Visitor center, boathouse/storage facility and native Hawaiian plant nursery. Last year Act 49, SLH 2017, KIRC was authorized \$500,000 for plans and designs for this center. Additionally, the KIRC submitted, at the request of the legislature, a "KIRC Financial Self-Sufficiency and Sustainability Plan" which states that a critical factor for KIRC's long-term financial success is to "build the KIRC's Kaho`olawe Education & Operations Center at Kīhei, Maui as the key infrastructure/facility to generate sustaining funding for the island's long-term restoration and establishing a permanent, public gateway to Kaho`olawe".

As the KIRC depends on the Kīhei Small Boat Harbor as its primary launch point for vessels traveling to Kaho`olawe and manages the adjacent property, the KIRC has a vested interest in ensuring the Kīhei Small Boat Harbor is well maintained and managed. The KIRC has only recently entertained the possibility of developing a cooperative management opportunity with the Division of Boating and Ocean Recreation as a possible means of integrating the small boat harbor into the future development of the KIRC's neighboring facilities. We are still

investigating the possible risk and benefits of this endeavor as well as determining the possible revenue streams that could support this action and any possible consequences.

The KIRC currently does not yet have the revenue streams to fully execute its initial mandate in HRS 6K, to manage and restore the Kaho`olawe Island Reserve. This opportunity could be a significant benefit to the KIRC, but we are also seeking assurances that it will not become an undue burden for an agency perpetually needing to advocate for continuing funding.



Ocean Tourism Coalition

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February 28, 2018

Testimony to: House Committee on Finance  
Representative Sylvia Luke, Chair

Presented by: Tim Lyons, Executive Director  
Ocean Tourism Coalition

Subject: HB 2098, H.D.1 – Relating to Small Boat Harbors

Chair Luke and Members of the Committee:

I am Tim Lyons, Executive Director of the Ocean Tourism Coalition and we can support this bill with a clarifying amendment or language.

We believe that maintaining the small boat harbors under one administration for operational and managerial responsibilities is important for accountability and efficient management of the limited resources. We do however understand the needs of KIRC and while we continue to believe that their financial needs are best met through line item funding in the state budget, there may be some possibility of revenue enhancement provided it does not impact the boating special fund income whose funds are already designated.

It would appear that the funds referred to in this bill are limited to "land generating income" however we would feel far more comfortable and think any precedent could be avoided if clarifying language was added to ensure that there is no inclusion of boating use permit fees. As we read it the bill calls for duties to "operate, administer, manage, and maintain" the harbor to be transferred to the Commission. There may be an inference that this would include administering or managing permit fee income.

We request that wording be added after that, on page 1, to read, "...the Kihei small boat harbor[.] provided that all permits issued under 200-10 shall remain under the statewide boating program and all fees collected shall be deposited in the boating special fund."

Thank you for this opportunity to testify.

KAANAPALI KAI CHARTERS, INC.  
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TERALANI.NET

HOUSE OF REPRESENTATIVES  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair  
Rep. Ty J.K. Cullen, Vice Chair

NOTICE OF HEARING

DATE: Wednesday, February 28, 2018  
TIME: 12:00 P.M.  
PLACE: Conference Room 308  
State Capitol  
415 South Beretania Street

**TESTIMONY OF KAAANAPALI KAI CHARTERS, INC. IN OPPOSITION OF  
HB 2098 HD1**

Chair Representative Luke, Vice Chair Cullen and Members of Finance Committee  
My name is David Weiss, Vice President of Teralani Sailing Adventures, **providing our strong  
opposition of HB 2098 SD1**

**Plases see our concern with the HB 2098 SD1 below:**

1. DLNR Can lease the land to Kahoolawe Island Reserve Commission (KIRC) to build their own building. They do not need to take over the whole Kihei Ramp which is heavily used already by commercial and recreational boaters
2. DOBOR needs the funds from the Ramp which is always in need of repair
3. DOBOR is in a much better position to manage the rmp for the benefit of all users and it sets a bad precedent if DOBOR is being divvied-up as the bill would have it.
4. KIRC should be funded with General Funds. It is the responsibility of the entire state to fund Kahoolawe not just a few boaters.

Mahalo for your time and consideration.

David Weiss

Executive Vice President  
Kaanapali Kai Charters, Inc.