

DAVID Y. IGE  
GOVERNOR OF HAWAII



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

ROBERT K. MASUDA  
FIRST DEPUTY

M. KALEO MANUEL  
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 28, 2019**  
**10:15 A.M.**  
**State Capitol, Conference Room 211**

**In consideration of**  
**HOUSE BILL 1032, HOUSE DRAFT 2, SENATE DRAFT 1**  
**RELATING TO STATE BOATING FACILITIES**

House Bill 1032, House Draft 2, Senate Draft 1 proposes to allow the Board of Land and Natural Resources (Board) to lease any existing state boating facility in its entirety, as well as fast and submerged lands within any existing state boating facility, by public auction, request for proposals, or direct negotiation for private development, management, and operation, with the prior authorization from the Legislature by concurrent resolution; and to repeal fast and submerged land lease requirements specific to the Ala Wai Small Boat Harbor. **The Department of Land and Natural Resources (Department) strongly supports this measure.**

Currently, Section 200-2.5(a), Hawaii Revised Statutes (HRS), authorizes the Board to lease "fast lands and submerged lands within an existing state boating facility" by public auction, a request for proposals, or by direct negotiation pursuant to Section 171-59, HRS, and Chapter 190D, HRS, for private development, management, and operation, provided that any lease of fast lands or submerged lands pursuant to a request for proposals shall be subject to Section 200-2.6, HRS, regardless to which state boating facility the fast or submerged lands are attached. In turn however, Section 200-2.6, HRS, only addresses leases of the Ala Wai Small Boat Harbor. The reference to Section 200-2.6, HRS, within Section 200-2.5(a), HRS, is therefore ambiguous and confusing.

The Department operates and manages sixteen small boat harbors. Some harbors, including the Ala Wai Small Boat Harbor, contain certain areas that are underused with significant revenue generating potential. Additional revenue derived from these underused areas would enable the Department not only to address repairs and maintenance more quickly but also use any surplus towards repairs and maintenance at other state small boat harbors and boating facilities. Many

state boating facilities are in dire need of long overdue repair and maintenance. This measure would provide the Department with more flexibility and options to upgrade and improve state boating facilities in a timely manner, to the benefit of boaters and the public.

Thank you for the opportunity to comment on this measure.

Testimony for  
Committee on Ways and Means

Thursday, March 28, 2019, 10:15 a.m. Room 211

Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair

**HB 1032 HD2 SD1 Relating to State Boating Facilities**

Dear Chair Dela Cruz and Members of the Committee:

This testimony is in STRONG SUPPORT of HB 1032 HD2 SD1 which allows the Board of Land & Natural Resources to lease any existing state boating facility in its entirety, both fast and submerged lands. They would do this by public auction, request for proposals, or direct negotiation for private development, management and operation. The Small Boat Harbors in the State of Hawaiʻi have been in need of ongoing maintenance, maximization of revenue opportunities, and community engagement for their continuance that this bill would provide.

I am Lynn McCrory, Senior Vice President of Government Affairs for Pulama Lanai. Pulama Lanai is the entity that was set up by Larry Ellison to work with the community and government as we move the island of Lanai toward sustainability. I was a member of the Board of Land & Natural Resources for 8 years and have seen the changes that have occurred within the Division of Boating and Ocean Recreation over the last 20 years, resulting from reduced funding for programs and maintenance.

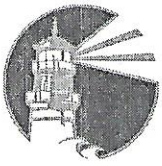
Manele Small Boat Harbor on Lānaʻi is an example of a small boat harbor that would benefit from leasing by an outside entity. It is small, it has strong community support, has surrounding land that could be added to provide more opportunities for the boating community. It needs management as we have not had a harbor agent nor maintenance staff that can fulfill the responsibilities needed for the harbor and the community.

The addition of BLNR review for any proposed development plan, and of the lessee for their engagement with the community, consideration of community concerns, and plan development to address adverse impacts clearly covers the community review of any issues. We believe that this will provide the necessary oversight for the public. And as we all know, if it isn't working the public will let everyone know.

We humbly ask that you support HB 1032 HD2 SD1. Mahalo!

Me ke aloha pumehana  
With warm aloha,

Lynn P. McCrory  
Senior Vice President of Government Affairs



COMMITTEE ON WAYS AND MEANS  
Senator Donovan M. Dela Cruz, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair

NOTICE OF DECISION MAKING

DATE: Thursday, March 28, 2019  
TIME: 10:15 AM  
PLACE: Conference Room 211

**TESTIMONY OF THE OCEAN TOURISM COALITION IN OPPOSITION OF  
HB1032HD2,SD1 RELATING TO STATE BOATING FACILITIES**

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of WAM  
Committee:

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC),  
**speaking in Strong Opposition to HB 1032HD1 SD1 Relating to State Boating  
Facilities.**

The OTC represents over 300 small ocean tourism businesses state wide. Most of  
these are family businesses which are locally owned and operated. All of them  
operate from State Boating Facilities managed by DLNR/DOBOR.

OTC is against the privatization of State Boating Facilities at this time. DOBOR  
already has the authority to lease parts of harbors to private interests with BLNR  
and Legislative oversight (if submerged lands are involved). This is far different  
from privatizing an entire State Boating Facility.

Keep all our State Boating Facilities under State Control and do not allow private  
interests to control our State Harbors.

Please do not pass HB 1032 HD2 SD2

Sincerely.

James E. Coon, President OTC

**HB-1032-SD-1**

Submitted on: 3/26/2019 3:35:03 PM

Testimony for WAM on 3/28/2019 10:15:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
charles thomas carroll	Individual	Support	No

Comments:

I am a direct neighbor of the Ala Wai boat harbor and I support the passage of HB1032. It has become clear that, for various reasons, it difficult for the DLNR to directly manage the States boating faciities. The Ala Wai boat harbor in particular is not as well maintained or nearly as attractive as it could be. I fully understand the States desire to raise revenue to properly maintain Hawaii's boat harbors. I have been opposed to other legislation previously since most included 200 2.6 which pertained only to the Ala Wai a fact which the Attorney General has ruled unconstitutional. Also, it was within 200 2.6 that hotel, time share, residential and AC plants were made permissible uses which I feel are inappropriate, foreign, and inconsistent with the historical use of the land. The Ala Wai harbor has enormous potential. If it were redeveloped properly it could become the focal point of Waikiki for our quests and citizens and provide new revenue to the State. Thank you. Charles Carroll (Ilikai)



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

Testimony of  
Aha Moku Advisory Committee

Senate Committee on Ways and Means

Thursday, March 28, 2019  
10:15 a.m.  
Conference Room 229

**In Support of HB 1032, HD 2, SD 1  
Relating to State Boating Facilities and Disposition**

HB 1032 HD2 SD1 allows the Board of Land and Natural Resources (Board) to lease any existing state boating facility in its entirety, and fast lands and submerged lands within any existing state boating facility, by public auction, request for proposals, or direct negotiation for private development, management, and operation; provided that the Board first finds that the lessee has met certain community involvement requirements. It clarifies that legislative approval is not required to award a lease and repeals fast lands and submerged lands lease requirements specific to Ala Wai Boat Harbor and takes effect on December 31, 2050 (SD1)

Aha Moku supports this measure as it offers needed clarification on the existing Section 200-2.5(a), HRS which already authorizes the Board to lease "fast lands and submerged lands within an existing state boating facility" by public auction, a request for proposals, or by direct negotiation pursuant to Section 171-59, HRS, and Chapter 190D, HRS, for private development, management, and operation, provided that any lease of fast lands or submerged lands pursuant to a request for proposals shall be subject to Section 200-2.6, HRS, regardless to which state boating facility the fast or submerged lands are attached. In turn however, Section 200-2.6, HRS, only addresses leases of the Ala Wai Small Boat Harbor. The reference to Section 200-2.6, HRS, within Section 200-2.5(a), HRS, is therefore ambiguous and confusing.

To only refer to one boating facility, the Ala Wai Boat Harbor and yet generally state that the Board is authorized to lease ceded and submerged lands within an existing state boating facility causes misunderstanding and uncertainty. And while Aha Moku does not generally support the leasing of any lands, fast or submerged, in an existing boating facility, we believe no further harm would be done with this measure. Further, it has been shown in some of the harbors, including the Ala Wai Small Boat Harbor, there are areas that are not used in their full capacity, but can only be used for boating purposes.

After careful consideration, and in checking with native Hawaiian practitioners who do use the small boat harbors on the islands, including Oahu to takeoff in various cultural and subsistence activities such as canoe paddling and fishing, Aha Moku supports this measure as it provide a means not yet tapped to provide DLNR with much needed options to improve and renovate boating facilities which would aid all boaters, including native Hawaiian practitioners.

Leimana DaMate  
Hawaii State Aha Moku  
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**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922



The Thirtieth Legislature, State of Hawaii  
The Senate  
Committee on Ways and Means

Testimony by  
Hawaii Government Employees Association

March 28, 2019

H.B. 1032, HD2, SD1 – RELATING TO STATE BOATING FACILITIES

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes the purpose and intent of H.B. 1032, HD2, SD1, which allows the Board of Land and Natural Resources (Board) to lease any existing state boating facility in its entirety, and fast lands and submerged lands within any existing state boating facility, by public auction, request for proposals, or direct negotiation for private development, management, and operation.

State oversight is necessary to maintain and ensure the mission of the Division of Boating and Ocean Recreation, which is “DOBOR aims to preserve Hawaii’s natural and cultural resources while ensuring public access to State waters and enhancing the ocean experience.” Having State oversight will continue to have the proper State enforcement agencies that are currently in place to enforce statutes and policies. Should there be any threats to Hawaii’s local harbors, a private entity is not equipped nor qualified to protect and enforce against potential and questionable illegal activities. The Department of Land and Natural Resources currently has the appropriate divisions with the expertise to keep State boating facilities and lands safe for the people of Hawaii.

Thank you for the opportunity to provide testimony in opposition of H.B. 1032, HD2, SD1.

Respectfully submitted,

Randy Perreira  
Executive Director