

S.B. NO. 2910

JAN 23 2020

A BILL FOR AN ACT

RELATING TO STATE SMALL BOAT HARBOR FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 200-10, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) The permittee shall pay moorage fees to the
4 department for the use permit that shall be based on, but not
5 limited to, the use of the vessel, its effect on the harbor, use
6 of facilities, and the cost of administering this mooring
7 program; ~~and,~~ furthermore:

8 (1) Except for commercial maritime activities where there
9 is a tariff established by the department of
10 transportation, moorage fees shall be established by
11 appraisal by a state-licensed appraiser approved by
12 the department ~~[and shall be higher for nonresidents~~
13 ~~than for residents. The moorage fees shall be set by~~
14 ~~appraisal categories schedule A and schedule B, to be~~
15 ~~determined by the department, and may be increased~~
16 ~~annually by the department, to reflect a cost-of-~~
17 ~~living index increase; provided that:~~

S.B. NO. 2910

1 ~~(A) Schedule A shall include existing mooring~~
2 ~~permittees; and~~
3 ~~(B) Schedule B shall apply to all new mooring~~
4 ~~applicants and transient slips on or after July~~
5 ~~1, 2011;~~

6 ~~provided further that schedule A rates shall be~~
7 ~~increased by the same amount each year so that~~
8 ~~schedule A rates equal schedule B rates by July 1,~~
9 ~~2014];~~

10 (2) For commercial maritime activities where there is a
11 tariff established by the harbors division of the
12 department of transportation, the department may adopt
13 the published tariff of the harbors division of the
14 department of transportation or establish the fee by
15 appraisal by a state-licensed appraiser approved by
16 the department;

17 (3) An application fee shall be collected when applying
18 for moorage in state small boat harbors and shall
19 thereafter be collected annually when the application
20 is renewed. The application fee shall be[+]

21 ~~(A) Set] set~~ by the department; [~~and~~

22 ~~(B) Not less than \$100 for nonresidents;]~~

S.B. NO. 2910

- 1 (4) If a recreational vessel is used as a place of
2 principal habitation, the permittee shall pay, in
3 addition to the moorage fee, a liveaboard fee that
4 shall be calculated at a rate of:
- 5 (A) \$5.20 [a] per foot of vessel length [a] per month
6 if the permittee is a state resident; and
- 7 (B) \$7.80 [a] per foot of vessel length [a] per month
8 if the permittee is a nonresident;
- 9 provided that the liveaboard fees established by this
10 paragraph may be increased by the department [~~at the~~
11 ~~rate of the annual cost of living index, but~~] by not
12 more than [~~five~~] fifty per cent in any one year,
13 beginning July 1 of each year;
- 14 (5) If a vessel is used for commercial purposes from its
15 permitted mooring, the permittee shall pay, in lieu of
16 the moorage and liveaboard fee, a fee [~~based on three~~]
17 per month that shall be the greater of:
- 18 (A) Three per cent of the gross revenues derived from
19 the use of the vessel; or [~~two~~]
- 20 (B) Three dollars per passenger carried for hire; or

S.B. NO. 2910

Report Title:

Mooring Fees; Liveaboard Fees; Commercial Fees; Appraisal; State Small Boat Harbors

Description:

Amends the various fees the Department of Land and Natural Resources may charge for the usage of state small boat harbors. Amends the manner in which those fees are applied.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO STATE SMALL BOAT HARBOR FEES.

PURPOSE: To amend the various fees the Department may charge for the usage of state small boat harbors; and to amend the manner in which those fees are applied.

MEANS: Amend section 200-10(c), Hawaii Revised Statutes (HRS).

JUSTIFICATION: Aside from receiving capital improvement project funding from the Legislature, the State Boating Program is primarily reliant on user fees to pay for operating and maintaining the state small boat harbors. The Program simply cannot continue to operate and maintain these facilities with limited support. An increase in fees collected under section 200-10, HRS, would go toward funding upgrades to state small boat harbor facilities resulting in improved sanitation, maintenance, and cleanliness of boat harbor facilities.

The State currently has a total of 164 liveaboard slips located in the Ala Wai Boat Harbor (129 slips) and Keehi Lagoon Boat Harbor (35 slips). Liveaboard permittees pay a fee to reside on their vessels in order to offset the cost of providing additional services such as increased use of utilities, showers and restrooms, security and other administrative costs. As the liveaboard fee has not increased since 1991, the Department feels that the liveaboard fee should be increased and regularly adjusted in order to reflect rising utility costs (e.g., water and electricity) and common area maintenance expenses.

This bill would also add the option to charge a commercial fee per passenger carried for hire, which would allow the

SB. NO. 2910

Department to collect appropriate fee amounts in the event that an operator attempts to circumvent the gross receipt collection method.

An increase in fees collected under section 200-10, HRS, would go toward funding upgrades to state small boat harbor facilities resulting in improved sanitation, maintenance, and cleanliness of small boat harbor facilities.

Impact on the public: All fees collected under section 200-10, HRS, go toward, among other things, operating, maintaining, and managing state small boat harbor facilities under the control of the Department.

Impact on the department and other agencies: This bill would allow the Department to collect mooring fees that are at fair market value, as well as increased liveaboard fees, that would go towards covering operating costs, operating expenses, and upgrades to state small boat harbor facilities.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: LNR 801.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.