

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 Committee on
ENERGY AND ENVIRONMENTAL PROTECTION**

**Thursday, February 14, 2019
8:30 AM
State Capitol, Conference Room 325**

**In consideration of
HOUSE BILL 1364
RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES
BUDGET**

House Bill 1364 (HB1364) proposes to provide funding for the operations of Department of Land and Natural Resources' (Department) LNR405 – Conservation and Resources Enforcement program for the Fiscal Biennium 2019-2021. **The Department strongly supports this measure with amendments.**

The Department respectfully requests that this measure be amended to include the following Program ID base budget (derived from House Bill 2) with adjustments (budget requests):

LNR 405 - Conservation and Resources Enforcement

The Department's Division of Conservation and Resources Enforcement (DOCARE) has primary responsibility for the enforcement of laws created to manage, protect and conserve Hawaii's unique and limited, natural, cultural and historic resources.

- Transfer-out 1 Accountant position and funds to LNR 906 (-\$46,140 / -\$46,140 A).

The Administrative Services Office (ASO) is responsible for the fiscal management, integrity and accountability of the Department. The mission of the ASO is to provide guidance and oversight of the Department's budget, financial management, and financial operations for all of the Department's divisions' various funds, grants and other awards to ensure that funds necessary to carry out the Department's mission are obtained, allocated, and properly expended in accordance with the Department's priorities and relevant laws and policies. Given the significant amount of federal grants received and

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

administered by the Department and to address the desire of the Department to institute standardized accounting procedures and processes, we deem it necessary to request the transfer of the above positions under the direct supervision of the ASO. By doing this, the Department believes the ASO will be in the best position to provide the most thorough fiscal oversight and supervision available as well as ensure that the implementation of policies and procedures is done in a transparent, timely and effective manner and in accordance with state and federal guidelines. This will afford the Department improved efficiency resulting in the better use of its time and resources. The transfer of the positions will give the Department the opportunity to institute better compliance, and to enhance internal controls. Additionally, the Department is confident that this change and/or transfer request will address the auditor's recommendations brought about by various audits. It will also address the federal auditor's concerns of potential disallowance of costs, assessment of penalties, loss of credibility, and diminished future grant opportunities due to insufficient data documentation and the Department's deficiency on the overall management of federal funds. The request will be cost neutral and there will be no additional funds needed on the transfer.

- Convert 6 Community Fisheries Enforcement Units (CFEU) positions from temporary to permanent positions.

The Department finds that the current temporary status of some of its Conservation and Resources Enforcement Officer III positions hinders the recruitment of the best and most qualified applicants. Many prospective candidates for these positions may not apply. These candidates may not be attracted to applying for these positions due to the temporary status where funding is uncertain. Conversion will allow the Department to attract more candidates and increase the applicant pool. DOCARE academy attendance will rely on these positions.

- Add 1 Program Specialist IV permanent position and general funds (\$77,956 / \$69,456 A).

DOCARE does not have an established civil service position for the scope of work that the current makai watch coordinator performs. The current position is non-civil service and is solely reliant upon grant funding and as such, there is a high degree of uncertainty for this position and the program. Funding to establish the Program Specialist IV position and operational costs related to the position will allow DOCARE to maintain coordination of its makai watch program. This position will also serve as a crucial community liaison dealing with enforcement issues and education of the public relating to the enforcement of department rules and laws. It will also assist with current DOCARE program administration and initiatives.

Prog ID/Org	Description	MOF	FY 20			FY 21		
			FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount
405/HA	General	A	131.25	12.00	10,127,297	131.25	12.00	10,150,875
405/HA	Special	B	-	-	1,344,671	-	-	1,344,671
405/HA	Federal Funds	N	3.75	-	1,319,046	3.75	-	1,319,046
405/HB	Other Federal Funds	P	-	-	900,000	-	-	900,000
405/HA	Revolving	W	-	-	32,671	-	-	32,671
	Total - Base Budget		135.00	12.00	13,723,685	135.00	12.00	13,747,263
405/HA	Transfer-out Accountant IV, Position #52375, from LNR 405 to LNR 906	A	(1.00)	-	(46,140)	(1.00)	-	(46,140)
405/HA	Convert Community Fisheries Enforcement Unit's (CFEU) temporary positions to permanent, and provide additional funding to cover full-year salaries (\$268,620) and related operating expenditures (\$90,000)	A	6.00	(12.00)	-	6.00	(12.00)	-
405/HA	Add positions and funds for personal services for one (1) Program Specialist V (\$59,616) and one (1) Program Specialist IV (\$52,956) position to support the Division of Conservation and Resources Enforcement's administrative programs, operations and Makai Watch Program and operational cost (\$50,000)	A	1.00	-	77,956	1.00	-	69,456
	Total - Adjustments		6.00	(12.00)	31,816	6.00	(12.00)	23,316
405/HA	General	A	137.25	-	10,159,113	137.25	-	10,174,191
405/HA	Special	B	-	-	1,344,671	-	-	1,344,671
405/HA	Federal Funds	N	3.75	-	1,319,046	3.75	-	1,319,046
405/HB	Other Federal Funds	P	-	-	900,000	-	-	900,000
405/HA	Revolving	W	-	-	32,671	-	-	32,671
	Total - Base Budget + Adjustments		141.00	-	13,755,501	141.00	-	13,770,579

Thank you for the opportunity to comment on this measure.

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

Department Priority: OR 6

Program ID/Org. Code: LNR405HA
Program Title: Conservation and Resources Enforcement

Department Contact: Jamie Shindo Phone: 587-0069

Request Category:

Trade-Off/Transfer (+) _____ (-) _____
Conversion of Unbudgeted Positions _____
Fixed Cost/Entitlement _____
Federal Fund Adjustment Req _____
Governor's Initiatives _____
Health, Safety, Court Mandates _____
Full Year Funding for New Positions _____
Adjustment for Non-Recurring Items _____
Other X _____

I. TITLE OF REQUEST: Convert Community Fisheries Enforcement Unit (CFEU) positions from temporary to permanent status

Description of Request: To convert six (6) current CFEU temporary positions to permanent positions.

II. OPERATING COST SUMMARY

	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services	6.00	(12.00)		6.00	(12.00)					
B. Other Current Expenses										
C. Equipment										
L. Current Lease Payments										
M. Motor Vehicles										
TOTAL REQUEST	6.00	(12.00)	0	6.00	(12.00)	0	0	0	0	0

By MOF:

A	6.00	(12.00)		6.00	(12.00)	
B						
N						
P						
R						
S						
T						
U						
W						
X						

III. OPERATING COST DETAILS

	MOF	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
		FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services (List all positions) CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					
CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					
CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					
CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					
CREO III, SR 20	A	1.00	(1.00)		1.00	(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
CREO III, SR 20	A		(1.00)			(1.00)					
Other Personal Services											
Fringe Benefits											
Turnover Savings											
Subtotal Personal Service Costs		6.00	(12.00)	0	6.00	(12.00)	0	0	0	0	0
By MOF	A	6.00	(12.00)	0	6.00	(12.00)	0	0	0	0	0
	B	0.00	0.00	0	0.00	0.00	0	0	0	0	0
	N	0.00	0.00	0	0.00	0.00	0	0	0	0	0
B. Other Current Expenses (List by line item)											
Subtotal Other Current Expenses				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
C. Equipment (List by line item)											
Subtotal Equipment				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
L. Current Lease Payments (Note each lease)											
Subtotal Current Lease Payments				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0

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OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

M. Motor Vehicles (List Vehicles)										
Subtotal Motor Vehicles		0		0	0	0	0	0	0	0
By MOF	A	0		0	0	0	0	0	0	0
	B	0		0	0	0	0	0	0	0
	N	0		0	0	0	0	0	0	0
TOTAL REQUEST		6.00	(12.00)	0	6.00	(12.00)	0	0	0	0

IV. JUSTIFICATION OF REQUEST

The current temporary status of these positions hinders the recruitment of the best and most qualified applicants. Many prospective candidates for these positions may not apply. These candidates may not be attracted to applying for these positions due to the temporary status of the positions where funding is uncertain. Conversion v allow the Department to attract more candidates and increase the candidate pool. DOCARE's academy attendance will rely on these positions.

V. RELATIONSHIP OF THE REQUEST TO STATE PLAN OR FUNCTIONAL PLAN

VI. INFORMATION SYSTEMS AND TECHNOLOGY

VII. IMPACT ON OTHER STATE PROGRAMS/AGENCIES

VIII. IMPACT ON FACILITY REQUIREMENTS (R&M, CIP)

IX. EXTERNAL CONFORMANCE REQUIREMENTS

X. REQUIRED LEGISLATION (Please specify appropriate statutes; i.e., HRS)

XI. OTHER COMMENTS

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

Department Priority: OR 29

Program ID/Org. Code: LNR405HA
Program Title: Division of Conservation and Resources Enforcement

Request Category:

Department Contact: Jamie Shindo Phone: 587-0069

Trade-Off/Transfer (+) ____ (-) ____
Conversion of Unbudgeted Positions ____
Fixed Cost/Entitlement ____
Federal Fund Adjustment Req ____
Governor's Initiatives ____
Health, Safety, Court Mandates ____
Full Year Funding for New Positions ____
Adjustment for Non-Recurring Items ____
Other X

I. TITLE OF REQUEST: Establish Program Specialist V and IV positions

Description of Request: Establish and fund the personal services for one (1) Program Specialist IV (\$52,956 position & related other expenditures to support the Division of Conservation and Resources Enforcement administrative programs, operations and Makai Watch Program.

II. OPERATING COST SUMMARY

	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services	1.00		52,956	1.00		52,956	53	53	53	53
B. Other Current Expenses			16,500			16,500	17	17	17	17
C. Equipment			8,500							
L. Current Lease Payments										
M. Motor Vehicles										
TOTAL REQUEST	1.00	0.00	77,956	1.00	0.00	69,456	70	70	70	70

By MOF:

A	1.00		77,956	1.00		77,956	78	78	78	78
B										
N										
P										
R										
S										
T										
U										
W										
X										

III. OPERATING COST DETAILS

	MOF	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
		FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services (List all positions) Program Specialist IV, SR 22	A	1.00		52,956	1.00		52,956	53	53	53	53

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DEPARTMENT OF LAND AND NATURAL RESOURCES**

Other Personal Services												
Fringe Benefits												
Turnover Savings												
Subtotal Personal Service Costs		1.00	0.00	52,956		1.00	0.00	52,956	53	53	53	53
By MOF	A	1.00	0.00	52,956		1.00	0.00	52,956	53	53	53	53
	B	0.00	0.00	0		0.00	0.00	0	0	0	0	0
	N	0.00	0.00	0		0.00	0.00	0	0	0	0	0
B. Other Current Expenses (List by line item)												
Operating Supplies	A			12,000				12,000	12	12	12	12
Office Supplies	A			4,500				4,500	5	5	5	5
Subtotal Other Current Expenses				16,500				16,500	17	17	17	17
By MOF	A			16,500				16,500	17	17	17	17
	B			0				0	0	0	0	0
	N			0				0	0	0	0	0
C. Equipment (List by line item)												
Laptop Computers	A			3,000								
Computers/Printers	A			3,500								
Office Furniture	A			2,000								
Subtotal Equipment				8,500				0	0	0	0	0
By MOF	A			8,500				0	0	0	0	0
	B			0				0	0	0	0	0
	N			0				0	0	0	0	0
L. Current Lease Payments (Note each lease)												
Subtotal Current Lease Payments				0				0	0	0	0	0
By MOF	A			0				0	0	0	0	0
	B			0				0	0	0	0	0
	N			0				0	0	0	0	0
M. Motor Vehicles (List Vehicles)												
Subtotal Motor Vehicles				0				0	0	0	0	0
By MOF	A			0				0	0	0	0	0
	B			0				0	0	0	0	0
	N			0				0	0	0	0	0
TOTAL REQUEST		1.00	0.00	77,956		1.00	0.00	69,456	70	70	70	70

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

IV. JUSTIFICATION OF REQUEST

DOCARE is requesting personal services and other current expenditures funding for one (1) Program Specialist IV (PS-IV) position. The Program Specialist IV will coordinate DOCARE's statewide Makai Watch Program and serve as a crucial community liaison dealing with enforcement issues and education of the public relating to enforcement of DLNR rules and laws. It will also assist with current DOCARE program administration and initiatives.

V. RELATIONSHIP OF THE REQUEST TO STATE PLAN OR FUNCTIONAL PLAN**VI. INFORMATION SYSTEMS AND TECHNOLOGY****VII. IMPACT ON OTHER STATE PROGRAMS/AGENCIES****VIII. IMPACT ON FACILITY REQUIREMENTS (R&M, CIP)****IX. EXTERNAL CONFORMANCE REQUIREMENTS****X. REQUIRED LEGISLATION (Please specify appropriate statutes; i.e., HRS)****XI. OTHER COMMENTS**

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

Department Priority: TO 1C

Program ID/Org. Code: LNR 405HA
Program Title: Conservation & Resources Enforcement

Department Contact: Cynthia Gomez Phone: 587-0340

Request Category:

Trade-Off/Transfer (+) X (-) _____
Conversion of Unbudgeted Positions _____
Fixed Cost/Entitlement _____
Federal Fund Adjustment Req _____
Governor's Initiatives _____
Health, Safety, Court Mandates _____
Full Year Funding for New Positions _____
Adjustment for Non-Recurring Items _____
Other _____

I. TITLE OF REQUEST: ACCOUNTANT POSITION

Description of Request: Transfer of Accountant position from LNR 405 to LNR 906

II. OPERATING COST SUMMARY

	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services	(1.00)		(46,140)	(1.00)		(46,140)	(46)	(46)	(46)	(46)
B. Other Current Expenses										
C. Equipment										
L. Current Lease Payments										
M. Motor Vehicles										
TOTAL REQUEST	(1.00)	0.00	(46,140)	(1.00)	0.00	(46,140)	(46)	(46)	(46)	(46)

By MOF:

A	(1.00)		(46,140)	(1.00)		(46,140)	(46)	(46)	(46)	(46)
B										
N										
P										
R										
S										
T										
U										
W										
X										

III. OPERATING COST DETAILS

	MOF	FY 20 Request			FY 21 Request			FY 22	FY 23	FY 24	FY 25
		FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services (List all positions) Position #52375, Accountant III	A	(1.00)		(46,140)	(1.00)		(46,140)	(46)	(46)	(46)	(46)

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DEPARTMENT OF LAND AND NATURAL RESOURCES**

Other Personal Services											
Fringe Benefits											
Turnover Savings											
Subtotal Personal Service Costs		(1.00)	0.00	(46,140)	(1.00)	0.00	(46,140)	(46)	(46)	(46)	(46)
By MOF	A	(1.00)	0.00	(46,140)	(1.00)	0.00	(46,140)	(46)	(46)	(46)	(46)
	B	0.00	0.00	0	0.00	0.00	0	0	0	0	0
	N	0.00	0.00	0	0.00	0.00	0	0	0	0	0
B. Other Current Expenses (List by line item)											
Subtotal Other Current Expenses				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
C. Equipment (List by line item)											
Subtotal Equipment				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
L. Current Lease Payments (Note each lease)											
Subtotal Current Lease Payments				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
M. Motor Vehicles (List Vehicles)											
Subtotal Motor Vehicles				0			0	0	0	0	0
By MOF	A			0			0	0	0	0	0
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0

**FB 19-21 BUDGET
OPERATING BUDGET ADJUSTMENT REQUEST
DEPARTMENT OF LAND AND NATURAL RESOURCES**

TOTAL REQUEST	(1.00)	0.00	(46,140)	(1.00)	0.00	(46,140)	(46)	(46)	(46)	(46)
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IV. JUSTIFICATION OF REQUEST

The Administrative Services Office (ASO) is responsible for the fiscal management, integrity and accountability of the Department. The mission of the ASO is to provide guidance and oversight of the Department’s budget, financial management, and financial operations for all of DLNR divisions’ various funds, grants and other awards to ensure that funds necessary to carry out the Department’s mission are obtained, allocated, and expended in accordance with the Department’s priorities and relevant laws and policies. Given the significant amount of federal grants received and administered by the DLNR and to address the desire of the Department to institute a standardized accounting process, we deem it necessary to request the transfer of the above positions under the direct supervision of the ASO. By doing this, we believe ASO will be in the best position to provide the most thorough fiscal oversight and supervision available as well as ensure that the implementation of policies and procedures is done in a transparent, timely and effective manner and in accordance with state and federal guidelines. This will afford the Department improved efficiency resulting in the better use of its time and resources. The transfer of the positions will give the Department the opportunity to institute better compliance, and to enhance internal controls. Additionally, we are confident that this change and/or transfer request will address the auditor’s recommendations brought about by various audits. It will also address the federal auditor’s concerns of potential disallowance of costs, assessment of penalties, loss of credibility, and diminished future grant opportunities due to insufficient data documentation and the Department’s deficiency on the overall management of federal funds. The request will be cost neutral and there will be no additional funds needed on the transfer.

V. RELATIONSHIP OF THE REQUEST TO STATE PLAN OR FUNCTIONAL PLAN

N/A

VI. INFORMATION SYSTEMS AND TECHNOLOGY

N/A

VII. IMPACT ON OTHER STATE PROGRAMS/AGENCIES

N/A

VIII. IMPACT ON FACILITY REQUIREMENTS (R&M, CIP)

N/A

IX. EXTERNAL CONFORMANCE REQUIREMENTS

N/A

X. REQUIRED LEGISLATION (Please specify appropriate statutes; i.e., HRS)

N/A

XI. OTHER COMMENTS