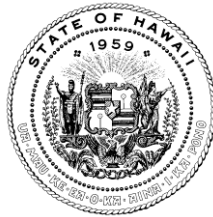


DAVID Y. IGE
GOVERNOR OF HAWAII



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
WATER AND LAND

Friday, March 15, 2019
1:15 P.M.
State Capitol, Conference Room 229

In consideration of
HOUSE BILL 1460, HOUSE DRAFT 1
RELATING TO THE STATEWIDE BOATING PROGRAM

House Bill 1460, House Draft 1 proposes to redefine “state boating facility” to include a day-use mooring buoy system; and to specify that the boating special fund can be used to pay for the costs of any state boating facility. **The Department of Land and Natural Resources (Department) appreciates the intent of this measure, and offers comments and recommendations.**

In 1995, the Department created Chapter 13-257, Hawaii Administrative Rules (HAR), to implement the State Day-use Mooring Buoy Program under the Division of Boating and Ocean Recreation (DOBOR). However, the Department has not been able to fully develop a day-use mooring buoy program because of a lack of funding. Although this measure would provide the Department with authorization to use the boating special fund for day-use mooring buoy purposes, Section 103-7, Hawaii Revised Statutes (HRS), provides that approvals from the Legislature and the Governor are required to fund any capital improvement project (CIP). The Department would therefore require CIP funding from the Legislature because of new installations and re-installation of day-use mooring buoys.

The Department estimates that it would require about one million dollars in startup costs to install or replace day-use mooring buoys statewide. In an effort to reduce initial costs, DOBOR has limited the scope of implementing the day-use mooring buoy program and is developing a pilot program in the form of regulations and day-use mooring buoy installations or replacements for the manta ray viewing sites in West Hawai‘i. The Department intends to use this pilot program to evaluate not only the day-use mooring buoy system itself but also the effectiveness of day-use mooring buoy-related vessel operation restrictions. This pilot program would still

require CIP funding for buoy installations, and buoy installations and re-installations would need to precede implementation of administrative rules.

If enacted, this measure would only allow DOBOR to use the boating special fund to pay for costs of repairs and maintenance on existing day-use mooring buoys. As mentioned above, new installations and re-installations would be considered CIP and would require the appropriate funding and approvals. The Department has determined that without adequate fee revenue for buoy use, the Day-use Mooring Buoy program will operate at a loss. It is unfair to have boat owners who do not use day-use mooring buoys subsidizing the operational costs of the Day-use Mooring Buoy program. Therefore, maintenance of the State's small boat harbors, offshore moorings, boat launch ramps, and piers, wharves, and docks take priority.

A developed State Day-use Mooring Buoy program would have the potential to provide convenient and natural resource conscious mooring options for boaters who operate in state ocean waters. In the past, because of the lack of funding, nongovernmental organizations, namely the Malama Kai Foundation, and private individuals devoted their time and resources to install and maintain day-use mooring buoys. After the initial startup of the program, DOBOR intends to charge day-use mooring buoy user fees at amounts that would ensure a self-sustaining program, avoiding the need for additional Legislative funding.

The Department notes that the only location in HRS where the term "day-use mooring buoy" is referenced is in Chapter 188F, HRS. Chapter 188F, HRS, states that the Department is only required to establish a day-use mooring buoy system "along the coastline of the West Hawaii regional fishery management area." There is no language in HRS providing implementation, definitions, or operational details of the day-use mooring buoy program.

Furthermore, based on existing statutory language in Chapter 188F, HRS, despite having implemented Chapter 13-257, HAR, the Department would not be required to establish a Day-use Mooring Buoy system in any locations around the State other than the West Hawaii regional fishery management area. Thus, the Department recommends that in addition to the existing language in this measure, the Legislature implement the State Day-use Mooring Buoy program and give the Department the authority to implement administrative rules for the program, which would provide stronger statutory authorization for Chapter 13-257, HAR.

Chapter 188F, HRS, is one of the statutory chapters applicable to the Department's Division of Aquatic Resources. However, the day-use mooring buoy program is better suited under DOBOR because it concerns vessel operation and mooring regulations. Therefore, any day-use mooring buoy provisions should be included in Chapter 200, HRS, which is the statutory chapter pertaining to DOBOR.

In regards to clarifying HRS provisions regarding the Day-use Mooring Buoy program, the Department recommends adding three new sections to this measure as follows:

SECTION . Section 188F-3, Hawaii Revised Statutes, is amended to read as follows:

"§188F-3 West Hawaii regional fishery management area;

purpose. The purpose of the West Hawaii regional fishery management area shall be to:

- (1) Ensure the sustainability of the State's nearshore ocean resources;
- (2) Identify areas with resource and use conflicts;
- (3) Provide management plans as well as implementing regulations for minimizing user conflicts and resource depletion, through the designation of sections of coastal waters in the West Hawaii regional fishery management area as fish replenishment areas where certain specified fish harvesting activities are prohibited, and other areas where anchoring and ocean recreation activities are restricted;
- (4) [~~Establish a system of day-use mooring buoys in high-use coral reef areas and limit anchoring in some of these areas to prevent anchor damage to corals;~~
- ~~(5)]~~ Identify areas and resources of statewide significance for protection;
- ~~(6)]~~ (5) Carry out scientific research and monitoring of the nearshore resources and environment; and
- ~~(7)]~~ (6) Provide for substantive involvement of the community in resource management decisions for this

area through facilitated dialogues with community residents and resource users.”

SECTION . Section 188F-4, Hawaii Revised Statutes, is amended to read as follows:

“§188F-4 West Hawaii regional fishery management area plan. The department shall develop a West Hawaii regional fishery management area plan that identifies and designates appropriate areas of the management area as follows:

(1) Designates a minimum of thirty per cent of coastal waters in the West Hawaii regional fishery management area as fish replenishment areas in which aquarium fish collection is prohibited;

(2) [~~Establishes a day-use mooring buoy system along the coastline of the West Hawaii regional fishery management area and designates some high-use areas where no anchoring is allowed;~~

~~(3)]~~ Establishes a portion of the fish replenishment areas as fish reserves where no fishing of reef-dwelling fish is allowed; and

~~[(4)]~~ (3) Designates areas where the use of gill nets as set nets shall be prohibited.”

SECTION . Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

STATE DAY-USE MOORING BUOY PROGRAM

§ -1 **Definitions.** As used in this chapter, unless the context otherwise requires:

"Day-use mooring buoy" means a mooring buoy, other than any mooring buoys within an offshore mooring area, providing one or more specific attachment points for vessels to use as an alternative to anchoring on reefs or the ocean bottom.

"Day-use mooring zone" means a designated area in which one or more day-use mooring buoys are installed.

§ -2 **State day-use mooring buoy program; establishment.** There is established within the department of land and natural resources the state day-use mooring buoy program.

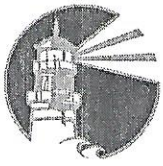
§ -3 **Purpose and scope.** The purpose of the State day-use mooring buoy program shall be to:

- (a) Reduce or prevent damage to coral and other marine life as a result of continuous use of anchors by commercial and recreational vessels in zones of high diving and mooring activity;
- (b) Identify sites throughout the State where day-use mooring buoys are necessary and establish day-use mooring zones at those sites;
- (c) Establish anchoring and other necessary vessel restrictions within day-use mooring zones;

- (d) Maintain a list of locations of day-use mooring buoys and day-use mooring zones for public viewing; and
- (e) Establish a fee and permitting system for use of day-use mooring buoys.

§ -4 **Rules.** The department may adopt rules to effectuate this section.”

Thank you for the opportunity to comment on this measure.



COMMITTEE ON WATER AND LAND

Senator Kaiali'i Kahele, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

NOTICE OF HEARING

DATE: Friday, March 15, 2019
TIME: 1:15 P.M.
PLACE: Conference Room 229

**TESTIMONY OF THE OCEAN TOURISM COALITION IN STRONG SUPPORT OF
HB1460HD1 RELATING TO THE STATEWIDE BOATING PROGRAM**

Aloha Chair Kahele, Vice Chair Keith-Agaran and Members of the WTL Committee:

My name is Jim Coon and I am the President of the Ocean Tourism Coalition (OTC) representing the interests over 300 charter boats operating out of DLNR/DOBOR Harbors across the State.

OTC is in STRONG SUPPORT of HB 1460HD1. This language would allow the Boating Special Fund to be used in support of the State Wide Day Use Mooring Program. This program was started nearly 30 years ago but has never had the support of the Boating Division because Boating Special Funds could not be used. With this bill in place, DOBOR can work with the Commercial Operators to collect moneys specifically for the Day Use Mooring Program which will be utilized to install additional Day Use Moorings as well as maintain the existing ones.

Day Use Moorings are one of the most effective methods to eliminate accidental Coral damage due to vessel anchoring. It is OTC's goal to see Day Use Moorings established in every area utilized by vessels for access to snorkel dive sites across the State. HB 1460HD1 provides the mechanism for the Boaters to fund this worthy project through DOBOR with no additional money from the State coffers.

Please pass HB 1460HD1. It will be a big win for protecting our Coral Reefs.

Sincerely,

James E. Coon, President OTC

HB-1460-HD-1

Submitted on: 3/13/2019 9:20:24 AM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Testifying for Calypso Charters	Support	No

Comments:

Calypso Charters and its affiliates employ close to 100 people in Maui's charter boat industry. We support HB1460.

Currently, DBOR has no mechanism for funding the day-use mooring program, except maybe the public procurement process. Charter boats are taxed 3% of their gross proceeds and the money goes to the Boating Special Fund. This bill will allow the Boating Special Fund to be used on infrastructure and improvements in the day-use mooring program.

We support this bill to the extent it allows DBOR to use funds on an organized, well-maintained day-use mooring program. The program should have sufficient access and moorings for all those that contribute to the Boating Special Fund.

HB-1460-HD-1

Submitted on: 3/13/2019 9:20:57 AM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Phil Kasper	Testifying for Malolo Charters	Support	No

Comments:

Malolo Charters and its affiliates employ close to 100 people in Maui's charter boat industry. We support HB1460.

Currently, DBOR has no mechanism for funding the day-use mooring program, except maybe the public procurement process. Charter boats are taxed 3% of their gross proceeds and the money goes to the Boating Special Fund. This bill will allow the Boating Special Fund to be used on infrastructure and improvements in the day-use mooring program.

We support this bill to the extent it allows DBOR to use funds on an organized, well-maintained day-use mooring program. The program should have sufficient access and moorings for all those that contribute to the Boating Special Fund.

HB-1460-HD-1

Submitted on: 3/13/2019 1:17:03 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Strahn	Testifying for Alii Nui Charters	Support	No

Comments:

We are in strong support of this bill.

Thanks,,

Jeff Strahn

HB-1460-HD-1

Submitted on: 3/13/2019 1:34:14 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristie Wrigglesworth	Testifying for PacWhale Eco Adventures	Support	No

Comments:

I represent PacWhale Eco Adventures, a marine eco-tour operation in Maui County involving 6 vessels and 80 vessel staff. I am submitting this testimony in strong support of HB1460.

A comprehensive Day-use Mooring program is essential to management of boating activity and conservation of coral.

Anchor damage is a key threat to coral reefs around the world according to the [International Coral Reef Initiative](#) and the [US Coral Reef Task Force](#). Day-use moorings have proven to be an effective tool to help prevent this coral damage by enabling boats to tie up to mooring buoys instead of dropping anchors onto the coral reefs.

Malama Kai Foundation is currently maintaining all of the existing moorings around Maui. There are numerous benefits of this. Most importantly, Malama Kai is made up of local operators that have a very good understanding of our current moorings. In addition, costs stay relatively low, and repairs have been pretty timely.

Current moorings have been maintained and repaired at no cost to the state, but there needs to be continuous day-use mooring planning and new moorings approved. Day-use moorings have not been approved in numerous years, which is likely leading to coral damage from anchors. DOBOR needs to have the ability to review, plan and approve new moorings, which are essential to protecting our marine resources.

This bill is absolutely crucial to the protection and conservation of coral. Please pass this bill so that DLNR will have the funds needed to effectively manage boating activities and protect our marine resources.

Thank you for your time and consideration of this testimony in strong support of HB1460.

HB-1460-HD-1

Submitted on: 3/13/2019 1:06:43 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Greg Shepherd	Testifying for Maui Dive Shop	Support	No

Comments:

We believe that we need maintenance on the day use moorings and would like to see monies paid directly from the industry in the special fund to be used on moorings that benefit the industry.

Mahalo

HB-1460-HD-1

Submitted on: 3/13/2019 1:43:12 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brennan Henders	Testifying for Maui Classic Charters	Support	No

Comments:

HB-1460-HD-1

Submitted on: 3/13/2019 7:30:38 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Stewart	Testifying for Malama Kai Foundation	Support	No

Comments:

As President of Malama Kai Foundation, I strongly support HB 1460 HD1. I strongly believe that the statewide day-use mooring buoy system constitutes a public boating facility, for which boating special fund monies should be expended.

Malama Kai Foundation, a Hawaii-based non-profit organization, has been responsible for the installation and maintenance of the State's day use mooring buoy system of over 200 public buoys since 1991. Day use mooring buoys are the most effective means to prevent anchor damage to coral reefs. We have raised monies to support this effort through grants and private donations, with a relatively small amount of funding from the State since 1991. More buoys are needed in high use areas where boats continue to drop anchor, but we as a non-profit don't have the resources, capacity or even the mandate to do this alone.

In order for DLNR's Division of Boating and Ocean Recreation (DOBOR) to take more responsibility for the installation and maintenance of these public day-use mooring buoys, it is imperative that they be designated a state boating facility for which special funds can be used.

Please pass HB 1460 HD1. Mahalo.

HB-1460-HD-1

Submitted on: 3/14/2019 2:27:34 AM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
MARK DERENSIS	Testifying for Blue Water Rafting	Support	No

Comments:

Please pass this bill. It is very important that the revenues received by the State of Hawaii be used to fund the Day use mooring system through out the State, to protect our valuable marine resources.

Thank you,

Mark de Rensis

Blue Water Rafting

Wailea Boating Company

HB-1460-HD-1

Submitted on: 3/14/2019 9:15:35 AM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Erik Stein	Testifying for Extended Horizons	Support	No

Comments:

I strongly support HB 1460 HD1. I strongly believe that the statewide day-use mooring buoy system constitutes a public boating facility, for which boating special fund monies should be expended.

Malama Kai Foundation, a Hawaii-based non-profit organization, has been responsible for the installation and maintenance of the State's day use mooring buoy system of over 200 public buoys since 1991. Day use mooring buoys are the most effective means to prevent anchor damage to coral reefs. They have raised monies to support this effort through grants and private donations, with a relatively small amount of funding from the State since 1991. More buoys are needed in high use areas where boats continue to drop anchor

In order for DLNR's Division of Boating and Ocean Recreation (DOBOR) to take more responsibility for the installation and maintenance of these public day-use mooring buoys, it is imperative that they be designated a state boating facility for which special funds can be used.

Please pass HB 1460 HD1. Mahalo.

HB-1460-HD-1

Submitted on: 3/14/2019 4:24:31 PM

Testimony for WTL on 3/15/2019 1:15:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Riley E. Coon	Testifying for Trilogy Excursions	Support	No

Comments:

Aloha,

As a multi-generational Commerical harbor user, I strongly support HB 1460. I feel that the day use mooring buoys are an extension of a harbor facility and as such, they should be allowed to be granted funding from the special boating fund.

As a commercial operator, we pay an additional three percent of our gross receipts to the DLNR, which as an industry constitutes millions of dollars each year for the state which in part goes to the upkeep of our harbor facilities. I would hope some of these funds could also be used to contract out to help pay for the maintenance and installation of the day use moorings.

Day use moorings are a vital piece of the infrastructure to all boaters who enjoy any in-water activities. Day use Moorings increase safety, operational efficiency, protect coral from anchor damage, and are installed in a way that is ecologically and environmentally friendly. Plus, they are below the surface so it keeps our navigable waters and view plains clear from any obstruction.

As a boat captain, there are many things I rely on to run a successful charter- be it my crew, my vessel, or my abilities and experience. However, three things that are just as important that are not in my control are the ability to take on Fuel, Pump out stations at harbor facilities, and reliable access to day use moorings.

Please pass HB 1460

Mahalo for your consideration,

Capt Riley E Coon
Director of Operations
Trilogy Excursions

HB-1460-HD-1

Submitted on: 3/14/2019 9:14:50 PM

Testimony for WTL on 3/15/2019 1:15:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Richard Kersten	Testifying for Sea Paradise Scuba Inc.	Support	No

Comments:

We are in support of this hearing. The day use mooring project is essential to preservation of the marine environment. Day use moorings provide ocean operators a location to hold their vessels while conducting ocean activities, rather than dropping anchor. Anchors are responsible for coral damage if placed improperly.

Thank you,

Richard Kersten

LATE

HB-1460-HD-1

Submitted on: 3/14/2019 3:47:49 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Candee L Ellsworth	Testifying for Malama Kai Foundation	Support	No

Comments:

As Executive Director of Malama Kai Foundation, I strongly support HB 1460 HD1. I strongly believe that the statewide day-use mooring buoy system constitutes a public boating facility, for which boating special fund monies should be expended.

Malama Kai Foundation, a Hawaii-based non-profit organization, has been responsible for the installation and maintenance of the State's day use mooring buoy system of over 200 public buoys since 1991. Day use mooring buoys are the most effective means to prevent anchor damage to coral reefs. We have raised monies to support this effort through grants and private donations, with a relatively small amount of funding from the State since 1991. More buoys are needed in high use areas where boats continue to drop anchor, but we as a non-profit don't have the resources, capacity or even the mandate to do this alone.

In order for DLNR's Division of Boating and Ocean Recreation (DOBOR) to take more responsibility for the installation and maintenance of these public day-use mooring buoys, it is imperative that they be designated a state boating facility for which special funds can be used.

Please pass HB 1460 HD1.

Mahalo, Candee

HB-1460-HD-1

Submitted on: 3/13/2019 9:34:22 AM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Katherine Lindell	Testifying for HawaiiOceanNews.com	Oppose	No

Comments:

Testimony of

Katherine Lindell, Editor, Hawaii Ocean News

In consideration of HOUSE BILL 1460

RELATING TO THE STATEWIDE BOATING PROGRAM

March 12, 2019

As DLNR Chair, Suzanne D. Case alludes to, in her testimony relating to this same House Bill, the Special Boating Fund was never designed for anything other than to provide funding for the maintenance and repair of existing State harbor facilities.

Problematic is the misunderstanding that surrounds the Special Boating Fund. Of the State's 14 harbor properties, 11, according to DOBOR sources, cannot contribute to the Fund, as they cannot meet their own maintenance costs and consequently are operating in the red. There are just 3 profitable harbor properties, all of which have had their revenues-plus-profits placed into the Special Boating Fund, completely ignoring the fact that each of these properties are in desperate need of maintenance and repair, and continue to exist as such.

There is no evidence of any discernable level of business acumen, on the part of the Legislature, in the notion that the Special Boating Fund could even begin to support any project outside of State harbors upkeep, as noted by Chair Case.

Additionally, there is clear historical demonstration that the State harbor system, in its present girth and breadth, is much more than can be managed by current staffing and resources. To add still more to this workload sets the DLNR up for catastrophic failure.

We oppose this bill in its present form. Our recommendation is that the bill be tabled and revised in accordance with a plan to make the day use moorings idea pay for

itself. One suggestion: since the day bouys are overwhelmingly used by commercial interests, why no make this latter user directly responsible for day bouy expense?

Respectfully,

Katherine Lindell

HB-1460-HD-1

Submitted on: 3/13/2019 2:09:04 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
scott blish	Individual	Support	No

Comments:

Aloha,

We support this bill. I am Scott Blish VP Operations for two companies, we operate two vessels out of Maalaea small boat harbor. The day use moorings are extremely effective way of mooring dive and snorkel vessels and in avoiding anchoring and thereby avoiding potential harm to reef and marine life. So we support this bill to help fund their installation and repairs..

Mahalo,
Scott Blish

HB-1460-HD-1

Submitted on: 3/13/2019 4:03:04 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marcella Mondejar	Individual	Support	No

Comments:

HB-1460-HD-1

Submitted on: 3/13/2019 2:02:08 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alana Rask	Individual	Oppose	No

Comments:

TESTIMONY OF ALANA B. RASK IN OPPOSITION TO H.B. 1460, H.D. 1, RELATING TO THE STATEWIDE BOATING PROGRAM

BEFORE THE COMMITTEE ON WATER AND LAND

DATE: Friday, March 15, 2019

TIME: 1:15 P.M.

LOCATION: State Capitol, Conference Room 229

WRITTEN TESTIMONY ONLY (due to travel) - For more information, please call Alana B. Rask at (808) 429-0479

Chair Kahele and members of the Committee,

I, as a live-aboard resident of the Ala Wai Small Boat Harbor, slip 731, provide the following testimony in opposition to this bill in its current form.

H.R.S. § 200-8 states that the cost of the statewide boating program shall be paid from the boating special fund, with the caveat that, “any fees collected within small boat harbors shall be expended only for costs related to the operation, upkeep, maintenance, and improvement of the small boat harbors.”

Section 3 of this bill is problematic in that it removes the caveat for small boat harbors, and replaces it with language that would allow fees collected from any “state boating facility” to be spent for the operation, upkeep, maintenance, and improvement of any “state boating facility.” The proposed definition of “state boating facility” is broad. Indeed, it includes *any “area under the jurisdiction of the department pursuant to this chapter.”*

I am a fee-paying resident of a small boat harbor, and this legislation would remove any hope that my fees would be spent on the upkeep of the bathrooms my daughter and I use, harbor street lighting, maintenance of docks, access to boating resources – *anything*.

To remedy this, I would suggest reinstating the caveat that fees collected from small boat harbor residents like myself be spent on the operation, upkeep, maintenance, and improvement of our small boat harbors.

Thank you for the opportunity to provide this testimony.

HB-1460-HD-1

Submitted on: 3/13/2019 4:01:48 PM

Testimony for WTL on 3/15/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ryan Lager	Individual	Oppose	Yes

Comments:

I do not believe that funds generated by tenants of the ala wai sbh sould be used to maintain commercially used mooring fields in Molokini. The ala wai is a revenue generating asset and should be maintained properly and run at 100% capacity. It is currently clearly not either of those and before much needed funds are channeled away from it, it needs to be maintained for those funding it. I am fine with an appropriate fee incease, reasonable is about 3% a year, but only after there is an audit of the state harbors office. I believe there can be changes made to the way things are managed without increasing the fees. Metered electricity, water, and montly fees for bathroom usage which could go to proper maintenance and security

**TESTIMONY OF ERIK RASK IN OPPOSITION TO H.B. 1460, H.D. 1,
RELATING TO THE STATEWIDE BOATING PROGRAM**

BEFORE THE COMMITTEE ON WATER AND LAND

DATE: Friday, March 15, 2019

TIME: 1:15 P.M.

LOCATION: State Capitol, Conference Room 229

WRITTEN TESTIMONY ONLY (due to travel) - For more information, please call Erik Rask at (808) 286-1577

Chair Kahele and members of the Committee,

I, as a live-aboard resident of the Ala Wai Small Boat Harbor, slip 731, provide the following testimony in opposition to this bill in its current form.

H.R.S. § 200-8 states that the cost of the statewide boating program shall be paid from the boating special fund, with the caveat that, “any fees collected within small boat harbors shall be expended only for costs related to the operation, upkeep, maintenance, and improvement of the small boat harbors.”

Most moneys that go into the special boating fund come from the Ala Wai Small Boat Harbor, which may then be used across the state for maintenance of any other small boat harbor, under the current version of this statute. Thus, there is already not enough money going back into the Ala Wai, which is in total disrepair.

Section 3 of this bill will only make this problem worse. It removes the caveat for small boat harbors entirely. If this legislation is passed, DOBOR would not be required to put money back into the harbors at all.

Instead, DOBOR would have unfettered discretion to spend money collected from permittees in the small boat harbors on any “state boating facility,” vaguely and broadly defined as including *any* “*area under the jurisdiction of the department pursuant to this chapter.*” This includes the purported “day-use mooring buoy system” which DOBOR is seeking to implement, a program that would benefit only commercial passenger vessels.

It is not fair to require those paying slip fees to subsidize commercial operators in Hawai'i, while those same permittees day after day deal with the problems of a harbor that is effectively abandoned by DOBOR.

No expansion of DOBOR's authority or discretion should be passed until there is a full and complete audit of DOBOR. The last audit of DOBOR (Report No. 01-09), which was completed in 2001, stated that:

Inadequate management of state boating facilities has been a recurring problem. Our prior audits in 1993 and 1998 reported on these deficiencies. In our present audit, we found that little had changed in the poor conditions of these state boating facilities. The boating program's mismanagement and neglect have deteriorated facilities to the point where their continued use threatens public safety.

The audit further stated, "the boating division lacks adequate controls to ensure the accuracy and integrity of its financial affairs. The boating division is still unable to accurately determine the cost of operating its boating facilities. In addition, inventory and cash collection controls are inadequate . . . delinquent user fees (now totaling approximately \$500,000) continue to increase."

Despite this extremely worrisome report, no follow-up audit was ever conducted. DOBOR did not create a master plan for the harbor under its jurisdiction. And, considering the current state of the Ala Wai Small Boat Harbors, there has been no showing that DOBOR remedied its management practices or the integrity of its financial affairs.

I am a fee-paying resident of a small boat harbor, and this legislation would remove any hope that my fees would be spent on the upkeep of the bathrooms my daughter and I use, harbor street lighting, maintenance of docks, access to boating resources – *anything*.

Please vote against H.B. 1460, H.D. 1 and instead take action to require a new audit and require that DOBOR have a public plan for its harbors. DOBOR's secretive efforts to give itself unlimited discretion and authority without any oversight cannot be allowed. While DOBOR is also seeking to increase slip fees, higher fees will do nothing to improve our state harbors when DOBOR is permitted to spend our money wherever it pleases without oversight.

Alternatively, the language of this proposed bill must keep the proviso with respect to the use of slip fees. Moreover, any such bill should require that *at least* 50% of Ala Wai Harbor slip fees be put toward Ala Wai Harbor operation, upkeep, maintenance, and improvement to restore its basic living facilities, and to maximize its revenue generation potential by fixing the facilities and docks that are literally falling into the water on a daily basis.

Thank you for the opportunity to provide this testimony.