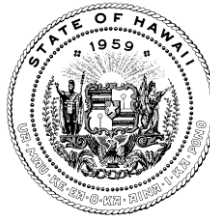


DAVID Y. IGE
GOVERNOR OF HAWAII



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 House Committee on
FINANCE

Friday, March 29, 2019
3:30 P.M.
State Capitol, Conference Room 308

In consideration of
SENATE BILL 1257, SENATE DRAFT 2, HOUSE DRAFT 1
RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES

Senate Bill 1257, Senate Draft 2, House Draft 1 proposes to clarify that mooring and liveaboard fees for state small boat harbors and certain boating facilities be set by appraisal by a state-licensed appraiser at fair market value; and to amend the calculation of the liveaboard fee for persons using their principal habitation vessel for commercial purposes. **The Department of Land and Natural Resources (Department) strongly supports this measure and recommends an amendment.**

The Department's Division of Boating and Ocean Recreation (DOBOR) is responsible for operating and maintaining 16 small boat harbors; 14 boat launch ramps; 5 piers, wharves, and docks; 3 anchoring and offshore mooring facilities; portions of Kā'anapali Beach; portions of Waikīkī Beach; and a portion of the Waika'ea Canal. DOBOR is also responsible for regulating all ocean recreation activity occurring in and on ocean waters out to three nautical miles from shore.

The State currently has a total of 164 liveaboard slips located in the Ala Wai small boat harbor (129 slips) and Ke'ehi Lagoon small boat harbor (35 slips). Liveaboard permittees pay an additional fee to reside on their vessels. This liveaboard fee has not been increased since 1991. The additional fee charged to liveaboard tenants is intended to offset the cost of providing additional services such as increased use of utilities, showers and restrooms, security, and other administrative costs.

To date, DOBOR has identified \$310 million in deferred maintenance at small boat harbors and boating facilities statewide. Being able to assess fair market value at small boat harbors and

boating facilities will allow DOBOR to maximize its revenue generating potential and perform much needed repairs and maintenance on these facilities.

This measure is a much-needed first step in reducing DOBOR's deferred maintenance backlog. The Department recognizes that it is appropriate to maximize revenue generation in small boat harbors and boating facilities before making any additional funding requests to the Legislature, and DOBOR intends to use increased fee revenues to improve sanitation, maintenance, and cleanliness of boat harbor facilities.

The Department notes that in House Standing Committee Report Number 1520, the Committee intended to allow the Department to increase liveaboard fees by up to 50% each year. The language in Senate Bill 1257, Senate Draft 2, House Draft 1 regarding this authority appears ambiguous because of the reference to the cost of living index, and the Department therefore recommends that paragraph (4) on page 3 be amended to read as follows:

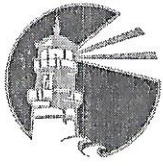
(4) If a recreational vessel is used as a place of principal habitation, the permittee shall pay, in addition to the moorage fee, a liveaboard fee that shall be calculated at a rate of:

(A) \$5.20 a foot of vessel length a month if the permittee is a state resident; and

(B) \$7.80 a foot of vessel length a month if the permittee is a non resident;

provided that the liveaboard fees established by this paragraph may be increased by the department [~~at the rate of the annual cost of living index, but~~] by not more than [~~five~~] fifty per cent in any one year, beginning July 1 of each year;

Thank you for the opportunity to comment on this measure.



Ocean Tourism Coalition

The Voice for Hawaii's Ocean Tourism Industry
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(808) 537-4308 Phone (808) 533-2739 Fax
timlyons@hawaiiantel.net

COMMITTEE ON FINANCE

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Rep. Ty J.K. Cullen, Vice Chair

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Rep. Lisa Kitagawa	Rep. Kyle T. Yamashita
Rep. Bertrand Kobayashi	Rep. Bob McDermott
Rep. Scot Z. Matayoshi	

NOTICE OF HEARING

DATE: Friday, March 29, 2019
TIME: 3:30 P.M.
PLACE: Conference Room 308

TESTIMONY OF THE OCEAN TOURISM COALITON WITH COMMENTS ON SB1257 SD2,HD1 RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES

Chair Luke, Vice Chair Cullen and Members of FIN Committee:

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC). OTC supports the intent of this However, **We want to ensure that the appraisal process follows the normal State procedures in accordance with Haw.Rev. Stat . § 171-17.**

OTC offers the following small edit to section 7:

(7) All fees established by appraisal pursuant to this subsection shall be set at fair market value determined in accordance with Haw.Rev. Stat . § 171-17.

OTC would support passing SB 1250 SD2,HD1 with the above amendment.

Sincerely

James E. Coon, President, Ocean Tourism Coalition

SB-1257-HD-1

Submitted on: 3/28/2019 3:19:53 PM

Testimony for FIN on 3/29/2019 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
ROBERT DUERR	Wailoa River and Reeds Bay Boating Association	Oppose	No

Comments:

3/28 SB1257 HD1 Testimony.

The Wailoa River and Reeds Bay Boating Association **STRONGLY OPPOSES** SB1257 HD1.

DLNR and it's harbors agent DBOR currently have before the Board of Land and Natural Resources a rate increase package that would raise rates at Hilo's Wailoa River by 240 percent and in Reeds Bay by 300%. This is found on the DBOR website under reports.

"Amendments to and compilation of chapters 13-234 and 13-253 SMALL BOAT HARBORS CHAPTER 234 FEES AND CHARGES et al."

DLNR and DBOR's efforts to pass SB1257 HD1 and similar legislation is an effort to privatize recreational boating mooring and anchorage thought the state. See DBOR's report "Modernizing Ocean Recreation Management in Hawaii. Strategic Action Plan-2019. In their report they outline on page 13 the solution: "Solution: A Public-Private Partnership Approach."

The public meeting in Hilo for the BLNR Chapters 13-234 and 13-253 fee increase proposal had a locked door and a "gag" order on harbormasters. There were no answers to any questions on the fee increases. Only testimony was taken. Does no questions on a subject that most boaters had no idea about make sense to legislators?

SB1257 HD1 is an effort to privatize state harbors. However, this well crafted legislative effort was done without any communication with the public and with no transparency. DBOR uses the Howard Hughes corporation as the example of successful harbor privatization at Kewalo Basin. Only the millionaire from Gilligan's Island will be able to afford moorings if DBOR gets its way.

No one in Hilo harbors can recall when DBOR brass or DLNR admiralty visited Wailoa or Reeds Bay.

DBOR is an agency adrift in the middle of the pacific ocean. Why wouldn't they want to turn over the operation to someone else.

And boaters don't like it.

Sincerely,

Wailoa River and Reeds Bay Boating Association

Johnson, Marilyn
Duerr, Robert
Flaherty, John
Zenor, Shawn
Tanaka, Mel
Maeda, Alvin
Tajiri, Bruce
Paulmier, Stephen
Albright, Winston
Torrison, Ed
Antonio, Roger
Farrell, Tom
Furtado, Jack
Tribble, Gordon

SB-1257-HD-1

Submitted on: 3/28/2019 10:38:16 AM

Testimony for FIN on 3/29/2019 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Wanda Azzario Goldberg	Individual	Oppose	No

Comments:

My husband and I have been living in the Ala Wai Small Boat Harbor for 6 years. During these 6 years we have watched as the facility has gone from bad to worse, a once lovely harbor is now a wreck.

We have complained about certain situations and have been told by the Harbor Masters office that they can do nothing about it, for example, homeless people living on boats, using the bathroom facilities, storing their belongings in dock boxes etc.

Many people illegally live on boats, the HMO knows of this but does nothing as they have pointed out they are not working when the "Sneak Aboards" come back for the night. (I could make a very long list here)

We have sent photos of these things to the Harbor Masters office and they reply that we have to catch them between the hours of 12am and 6am, that "WE" have to do this in order for "THEM" to do anything about this problem.

I understand they are short staffed.

What I do not understand is that the Ala Wai Small Boat Harbor is profitable, it is one of only 3 or 4 state owned Harbors in Hawaii that is, so why then is a fee hike being proposed, when nothing gets fixed but just gets left to rot in the harbor?

We understand that in order to sell the harbor privately it is prudent to inflate its value, but quite honestly, why should we the boat owners pay for it????

Where is the money going?

I would also like to bring to your attention the debacle of the 800 row, which has remained empty for over a year as there is no electricity on this row due to it being removed and never replaced, this is a massive loss of revenue.

There are also slips in such disrepair that they are too dangerous to be used, there are 16 on the 600 row alone!

We pay over \$800.00 per month plus an extra for our live aboard permit of \$250.00, for this we get a slip, a water spigot and an electricity box, which we had to pay for to get upgraded in order to receive adequate outage.

I understand that the harbor has to be improved, it is in a terrible state, but I ask the question why is it so delapidated, and the answer must be gross missmanagement!

I have photographic evidence if needed

Yours sincerely

Wanda Azzario-Goldberg

**TESTIMONY OF ERIK A. RASK IN OPPOSITION TO S.B. 1257,
S.D. 2, RELATING TO USE PERMITS FOR SMALL BOAT
HARBOR FACILITIES**

BEFORE THE COMMITTEE ON FINANCE

DATE: Friday, March 29, 2019

TIME: 3:30 P.M.

LOCATION: State Capitol, Conference Room 308

Chair Luke and members of the Committee on Finance,

I have lived on my boat at the Ala Wai Small Boat Harbor for about eight years and have kept a boat in DOBOR harbors on Oahu for much longer. I provide the following testimony in opposition to SB1257, S.D. 2.

Separately, I am opposing all related bills that are part of a design to drive out tenants of the Ala Wai and which would authorize DOBOR to shirk its responsibilities of providing “Boating” and “Ocean Recreation” facilities for the Public, and instead allow it to focus on making certain individuals and corporations rich at the expense of the Public they are supposed to serve. Those bills include but may not be limited to SB1258, HB1460, SB559 and HB354. These bills must be examined as a whole to know what is really going on here.

This Bill, SB1257, was previously heard by the Committee on Water, Land & Hawaiian Affairs weeks ago. That Committee seemed to listen carefully to passionate and well-informed testimony presented by boaters who took time out of their day to attend (I could not attend). Then, when it

was Ed Underwood's turn to testify, that prior Committee asked very tough questions of Underwood, who had no substantive answers to the most basic questions presented to him such as "are fees collected monthly or annually" and "where is the money going currently" and also revealed his callous disregard for the people he is supposed to serve when asked to respond to concerns that the increased fees would render homeless certain individuals. Moreover, Ed Underwood lied to the Committee when he testified that "public" meetings were held at the Waikiki Yacht Club, which is provably false.

Yet, despite the prior hearing having gone so badly for DOBOR and Ed Underwood, and despite the fact that Underwood's lies were revealed to all members of that Committee, that Committee recommended revisions to the Bill that are themselves arbitrary and capricious, saying in its report "[y]our Committee has amended this measure by: (2) Authorizing the Department of Land and Natural Resources to **annually increase** liveaboard fees for recreational vessels **by up to fifty percent**[" HI Stand. Com. Rep. No. 1520. There is no rational basis for granting DOBOR the authority to raise live-aboard fees by up to fifty percent per year. But this is not solely about live-aboard fees, as is discussed below.

The prior Committee apparently adopted the reasoning of Ed Underwood in a failed attempt to justify its actions to the Public that it thinks is gullible and stupid:

Your Committee notes that the Department of Land and Natural Resources is authorized to annually increase the liveaboard fees assessed upon recreational vessels used as a place of principal habitation. However, the Department is statutorily restrained from increasing the

liveaboard fees by more than five percent annually. **Due to this restriction, the Department has chosen not to increase the fee since 1991.**

This rationale is absurd, and it is shocking that our lawmakers are willing to bend logic (and truth) in order to grease the tracks for DOBOR to proceed in its efforts to drive out tenants of the Ala Wai Small Boat Harbor, so that DOBOR can then lease out the Harbor for private development, which is what all of this current legislation, SB1257 included, is really about.

While DOBOR states on its website and argues at various hearings that fee increases are necessary because, “due to funding constraints and funding priorities, DOBOR is unable to keep up with its backlog of deferred maintenance projects,”¹ DOBOR actually has no intention of performing any deferred maintenance projects using increased slip fees.

Rather, DOBOR’s “Strategic Plan 2019” (the “Plan”)² states that DOBOR will be selecting “private entities with which to partner and issue them long-term leases to attract funds for improvement projects. The selected companies will perform harbor management, maintenance, and improvement project tasks under the division's supervision.” Plan at 20. Under the Plan, the companies that are “selected” by DOBOR with no further legislative approval required (SB1258) will generate revenue by development of fast lands within the Harbors, which DOBOR states “have immense commercial development potential to attract greater foot traffic in

¹ Available at <https://dlnr.hawaii.gov/dobor/proposed-fee-increase/>.

² Uploaded with this testimony and available at: <https://drive.google.com/file/d/19Q4033OhixrFBXaFcOWifzpp3ifl6dMs/view>.

harbor areas and yield higher income to the State.” Plan at 11. DOBOR states that a public private partnership of this sort will bring in “capital for much-needed infrastructure development, optimized revenue to honor the public interest, and freed up resources to allocate towards other needs, advantages that Hawai'i direly needs.” Plan at 13.

It is therefore clear that DOBOR's purpose in raising fees for harbor users is not to increase funds to actually “keep up with its backlog of deferred maintenance projects” as it claims, but instead to drive tenants out to make room for commercial development to maximize revenue for the State.³ Such an intent cannot be deemed anything other than “arbitrary and capricious,” and SB1257, as well as the aforementioned other bills currently in the Senate and House, seek to enable DOBOR to act upon this intent.

I respectfully request that SB1257 be scuttled in its entirety. If DOBOR intends to bring in revenue by commercialization of the Harbor, it should not also be permitted to drastically increase fees paid by boaters who on a daily basis deal with a completely run down harbor, with no requirement in any current legislation that increased fees actually be used to improve the Harbors (indeed, HB1460 does the opposite).

I also respectfully request that this Committee refer to the appropriate agencies for investigation this coordinated effort to enrich a few while ruining a place so important to the entire community that come down to Ala

³ It is not clear how such uses of the land fit within the harbors' purposes under HRS 200-9, which says that “[s]tate small boat harbors are constructed, maintained, and operated *for the purposes of: (1) Recreational boating activities; (2) Landing of fish; and (3) Commercial vessel activities.*”

Wai Harbor to be in one of the last places in Waikiki that is not solely designed to extract money from tourists.

Should SB1257 go forward, this Committee and the entire Legislature should not give DOBOR unfettered discretion to set fees based on an appraisal by a person “of DOBOR’s choosing” nor should it give DOBOR the power held by HCDA over lands that are arguably held in Public Trust. Allow for total increase at a reasonable rate of 5-10% per year and nothing more. If DOBOR needs to seek special appropriations for deferred maintenance of the Harbors, then so be it. But the boating community should not be penalized DOBOR’s total incompetence and purposeful neglect of the Harbors that has gone on for decades.

Thank you for the opportunity to provide this testimony.

Erik A. Rask

earask@gmail.com

808-286-1577

**TESTIMONY OF ALANA B. RASK IN OPPOSITION TO S.B. 1257, S.D. 2,
RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES**

BEFORE THE COMMITTEE ON FINANCE

DATE: Friday, March 29, 2019

TIME: 3:30 P.M.

LOCATION: State Capitol, Conference Room 308

TESTIFIER: Alana B. Rask, (808) 429-0479

Chair Luke and members of the Committee,

I am a resident of the Ala Wai Small Boat Harbor and I provide the following testimony in opposition to this bill, and all related bills that are designed to drive out tenants of the Ala Wai and would authorize DOBOR to shirk its responsibilities of providing “Boating” and “Ocean Recreation” facilities for the Public. The bills together would instead allow DOBOR to focus on making certain individuals and corporations rich at the expense of the Public it is supposed to serve. Those bills include but may not be limited to S.B. 1257, S.B. 1258, and H.B. 1460. These bills must be examined as a whole.

This Bill, S.B. 1257, was previously heard by the Committee on Water, Land & Hawaiian Affairs weeks ago. That Committee appeared to listen carefully to passionate and well-informed testimony presented by boaters who took time out of their day to attend, including myself. Then, when it was Ed Underwood’s turn to testify, the Committee asked very tough questions of Underwood, who had no substantive answers to the most basic questions presented to him, such as “are fees collected monthly or annually?” and “where is DOBOR’s money going currently?”. When asked to respond to concerns that increased fees would render certain individuals homeless, he revealed his callous disregard for those on fixed income, stating that boats are not meant to be permanent dwellings (although it is specifically provided for by law). Moreover, Ed Underwood lied to the Committee when he testified that “public” meetings were held at the Waikiki Yacht Club, which is provably false.

Yet, despite the prior hearing having gone so badly for DOBOR and Ed Underwood, and despite the fact that Underwood's lies were revealed to the Committee, that Committee recommended revisions to the Bill that are themselves arbitrary and capricious, saying in its report "[y]our Committee has amended this measure by: (2) Authorizing the Department of Land and Natural Resources to **annually increase** liveaboard fees for recreational vessels **by up to fifty percent[.]**" HI Stand. Com. Rep. No. 1520 (emphasis added). There is no rational basis for granting DOBOR the authority to raise live-aboard fees by up to 50% per year when current law already allows DOBOR to raise fees annually by up to 5% or the cost of living—something it has simply chosen not to do.

The WLH Committee apparently adopted Underwood's reasoning and attempted to justify its actions by stating:

Your Committee notes that the Department of Land and Natural Resources is authorized to annually increase the liveaboard fees assessed upon recreational vessels used as a place of principal habitation. However, the Department is statutorily restrained from increasing the liveaboard fees by more than five percent annually. **Due to this restriction, the Department has chosen not to increase the fee since 1991.**

This rationale is absurd, and it is shocking that our lawmakers are willing to bend logic and truth in order to grease the tracks for DOBOR to proceed in its efforts to drive out tenants of the Ala Wai Small Boat Harbor, so that DOBOR can then lease out the Harbor for private development, which is DOBOR's ultimate goal.

See requests for proposals; S.B. 1258; H.B. 1460.

DOBOR misleadingly states on its website and argues at various hearings that fee increases are necessary because, "due to funding constraints and funding priorities, DOBOR is unable to keep up with its backlog of deferred maintenance projects."¹ But, **as stated in its Strategic Plan 2019, DOBOR has**

¹ Available at <https://dlnr.hawaii.gov/dobor/proposed-fee-increase/>.

no intention of performing any deferred maintenance projects using increased slip fees.

Strategic Plan 2019² states that DOBOR will be selecting “private entities with which to partner and issue them long-term leases to attract funds for improvement projects. The selected companies will perform harbor management, maintenance, and improvement project tasks under the division's supervision.” Strategic Plan at 20. Under the Strategic Plan, the companies that are selected by DOBOR with no further legislative approval required (S.B. 1258) will generate revenue by development of fast lands within the Harbors, which DOBOR states, “have immense commercial development potential to . . . yield higher income to the State.” Strategic Plan at 11.

It is therefore clear that DOBOR’s purpose in raising fees for current harbor users is not to “keep up with its backlog of deferred maintenance projects” as it claims, but is instead to drive out tenants to attract commercial development to the harbor.³ Such an intent cannot be deemed anything other than “arbitrary and capricious,” and S.B. 1257, as well as the aforementioned other bills currently in the Senate and House, seek to enable DOBOR to act upon this intent.

If DOBOR intends to bring in revenue by privatizing of the Harbor, it should not also be permitted to drastically increase fees paid by boaters who deal with an effectively abandoned harbor on a daily basis, with no requirement in any current legislation that our increased fees be reinvested into our Harbor (indeed, H.B. 1460 does the opposite).

I also respectfully request that this Committee instigate an investigation and/or audit of DOBOR’s coordinated effort with private entities to enrich a few,

² Uploaded with this testimony and available at: <https://drive.google.com/file/d/19Q4033OhixrFBXaFcOWifzpp3if16dMs/view>.

³ It is not clear how such uses of the land fit within the harbors’ purposes under HRS 200-9, which says that “[s]tate small boat harbors are constructed, maintained, and operated *for the purposes of: (1) Recreational boating activities; (2) Landing of fish; and (3) Commercial vessel activities.*”

while ruining one of the last places in Waikiki that is not solely designed to extract money from tourists.

Should S.B. 1257 pass, this Committee and the entire Legislature should not give DOBOR unfettered discretion to set fees based on an appraisal by a person “of DOBOR’s choosing,” nor should it give DOBOR the power held by HCDA over lands that are arguably held in Public Trust. Allow for total increase at a reasonable rate of 5-10% per year and nothing more. If DOBOR needs to seek special appropriations for deferred maintenance of the Harbors, then so be it. But the boating community should not be penalized DOBOR’s total incompetence and purposeful neglect of the Harbors that has gone on for decades, as evidenced by the last Management Audit of DOBOR conducted in 2001.

Thank you for the opportunity to provide this testimony.

Opposed to SB1257

Aloha Chairperson and committee members,

I'm a small boat (20') owner and a long-time permit holder for a slip in a State (publicly) owned harbor. I'm opposed to several aspects of these sweeping changes. My first objection is the idea that a public recreational facility is now proposing charging fees based on private sector market value. This concept is wrong and seems like a justification to take away public benefits and force small boat owner out. Public facilities like schools and parks are public benefits, not private for-profit businesses.

In addition to the market based pricing that I object to, DBOR no longer charge by the size of the boat but by the largest boat that will fit in a slip. Say you have a 17' fishing boat and you have occupied a slip for years that could potentially hold a 30' boat because all the slips are this size. The proposal not only doubles your per foot cost but adds 13 more feet that you have to pay for, tripling the slip fee. If this proposal is approved the State will be forcing out local fisherman and boaters, replacing them with only people who can afford large boats at the yacht club pricing.

My next objection is to the proposed privatization of all public harbors. I understand managing State recreational facilities is difficult. The labor cost of union workers and the state procurement system make it difficult. But privatizing is not the answer. The same can be said for public schools or any other benefit the State provides its citizens. Mooring fees have never and will never cover the cost of neglected infrastructure. The Privatization Plan reads like it was created by the Trump organization.

In short I object to the whole for-profit model. In the end, if this is approved local fisherman and small boat owners will be forced out of these "world-class marinas" so rich people can enjoy the "world-class amenities" at our public harbors. Rich people, the 1%ers, can go to private yacht clubs. Please keep public harbors for the rest of us.

Respectfully submitted,

Brett Pruitt

SB-1257-HD-1

Submitted on: 3/28/2019 12:30:07 PM

Testimony for FIN on 3/29/2019 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicole Albright	Individual	Oppose	No

Comments:

Aloha - my name is Nicole Albright. I am seeing this Bill at the last hour and adamantly oppose its passing. I live in the Puna district on the Big Island of Hawaii. If I read the list of representatives on the FINANCE committee correctly you are ALL on the island of Oahu. Forgive me if I am missing someone.

As others have already said the cost of a home on Oahu is more than double that of a home here on Hawaii's east side, as is a median salary. There is no live-aboard arrangement here and the number of available slips in Wailoa can be counted on both of my hands on the outside and about the same again inside the bridge. There are a handful of moorings in Reeds Bay - all of which have been established by individuals, with NO assistance from DOBOR. There is no large scale operation here and this is evidenced by the service DOBOR provides at its Hilo office. Whilst the staff are very friendly the office is open for short hours, closed for lunch, often closed when the doors should be open and service is painfully slow, even when there is no-one else waiting for service.

Raising fees here in Hilo would not create a great surplus as there are so FEW slips and moorings. What it would do is create financial hardship on our boaters whilst providing NO NEW services. Mooring owners just underwent a time consuming and costly process last year to secure said moorings, again with no new services or assistance offered.

In addition I would like you to consider that Pohoiki boat ramp is GONE. The only access for east side boaters is Hilo. Our boat going community has suffered an immense loss in the past year. Why must we suffer more from a decision which is in the hands of representatives in Oahu. I must remind you that your decisions affect all of us living here in Hawaii Nei and respectfully I ask that you oppose this Bill. Thank you.

SB-1257-HD-1

Submitted on: 3/28/2019 1:36:15 PM

Testimony for FIN on 3/29/2019 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott McC	Individual	Oppose	No

Comments:

I am in opposition to the dramatic and sudden increase in mooring rates at the state harbor. DOBOR has had the opportunity to increase mooring rates by 5% every year, which is fair and reasonable. Unfortunately, due to their mismanagement, this bill proposes a sudden spike in mooring rates which will result in more delinquent and repossessed boats and a rapid sell off by many boat owners, thus flooding the market and devaluing the value of our assets. This will be costly for both the state and boat owners and is simply an irresponsible bill. Also, the fair market value estimate used to justify this rate increase was based on the hypothetical of what the harbor could be valued at, not the value based on its current and embarrassing state of affairs. I believe rates should increase at the harbor in order to improve its current state, but to do so in this way is to create even more trouble at the harbor in the form of delinquent and repossessed boats which will be very costly to the state and worsen conditions at the harbor. As a caring citizen and long-term boat owner in Hawaii I urge you to amend this bill so as to take a more gradual approach to rate increases for both the health of the harbors and the boat owners.

SB-1257-HD-1

Submitted on: 3/28/2019 2:37:24 PM

Testimony for FIN on 3/29/2019 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Randall Winston B. Albright, Esq.	Individual	Oppose	No

Comments:

Aloha,

Please consider keeping Ocean Access Affordable. DBOR plans to sell off our facilities to private organizations to meet required capitol improvements the taxpayer has already paid for. With a threefold increase in Mooring Fees with no Capitol improvements it is just not fair to the families and public organizations such as Na Hoa Holomoku of Hawaii Yacht Club. Public access is being taken away by these proposed fee increases with a plan to then sell these inflated revenue harbor facilities to private companies. The people have voiced their opinion in "public meetings" here in Hilo, where the state building was locked during said hearings a few weeks ago. DBOR simply collects money from citizens here in Hilo, and the citizens place their own moorings and obtain their own permits from the Army Corp. DBOR had approved citizens to place moorings in possible violation of Federal Rivers and Harbors Act of 1899 Section 10, and threatened to cancel public rights to their own moorings if the public didn't fix DBOR's non compliance for them at thousands of dollars cost to the public. No that the public spent there own money to fix DBOR's noncompliance with issuing permits for decades while ignoring federal law, DBOR is asking to profit from it.

Lets bring cooperation back into the community and allow our families affordable access to Ocean Recreation, not sell off the Ocean Access to Private Companies! Vote NO!

Respectfully,

Randall Winston Albright

Hilo, HI

I oppose SB1257 as it currently stands. I request that an audit be issued of the Division of Boating and Ocean Recreation. Harbor permit holders are aware that the usage fee that is collected by DOBAR does not go back into the harbors. Furthermore, Ala Wai Harbor permit holders are aware that the fees collected from their harbor alone, generate more than \$1,000,000 annually after all harbor expenses.

Susan Case, submitted testimony of this bill stating that the primary reason is because of \$310 million in deferred maintenance (unclear how these costs were calculated) at harbors statewide. Yet, the Division has not attempted to levy a bond to correct any of these maintenance issues. I am not against paying higher fees, if it's to pay back a loan for an already completed capital improvement project. However the evidence is clear, as indicated in the attached PDF (2010-2017 Rev & Exp Comparison by Percent Change.pdf) that an audit should be conducted of DOBOR.

Furthermore, Susan Case also indicates the live aboard fee has not been increased since 1991. I agree the fee should increase, but not by an established appraisal by a state-licensed appraiser. The fee should increase in alignment with the average rate of inflation of 2.5% since 1991. As a live aboard, the only extra wear and tear we place on the harbor are our tires on the asphalt and usage of water. There are many commercial operators that park their vehicles, public members that use the bathrooms, tourists that utilize the area. All of which also carry an impact. Live aboards are the watchdogs for the harbormaster. We're the neighborhood crime watch, especially since there is absolutely no security at the harbors from 4:15pm to 7:45am Monday through Friday. And non-existent on the weekends.

I request that an audit be conducted of DOBOR, a new management plan created and put in place that keeps Hawai'i's resources in the hands of the people, the public, rather than giving them away to the global market place.

Respectfully,

James Callahan

LATE

SB-1257-HD-1

Submitted on: 3/29/2019 2:21:50 AM

Testimony for FIN on 3/29/2019 3:30:00 PM

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

Comments:

Honorable Legislators:

What, exactly, will your premise be for suggesting that liveaboards in the State harbor system should pay more than non-liveaboards? Will you base this on the erroneous notion that permitted liveaboards receive so-called 'additional services' from the State and therefore should pay for the use of the these services?

Interesting assumption, because there really are no "additional services" available to liveaboards in the harbor system. None. Here are the facts (and these are quite verifiable if you are willing to fact check): Aside from water usage, which may or may not be more than some non-permitted tenants in the harbor, there are, in reality, NO other 'additional services' available to permitted liveaboards, over those available to non-liveaboards. None, And, addressing, as well, the apparisal issue, liveing on one's vessel is NOT the same as renting a condo unit. Liveaboards bring their own unit, bought and paid for at their expense, to a small length-by-width, space in the harbor, exactly the same as non-liveaboard tenants.

There is NO security provided by the State of Hawaii in the State's harbor system (a reality that is easily fact-checked). The Honolulu Police Department will, on an emergency-basis only, provide help to those victimized by crime anywhere in the vicinity of harbor properties, the very same service each of you get in your neighborhood.

Interestingly, liveaboard harbor tenants provide a serice to the State of Hawaii, as they are the sole eyes and ears of harbor security, having formed neighborhood watch groups that regularly (every Thursday night) conference with local police in a joint effort to keep the harbor and tourist-trafficked surrounds, free of crime.

How, ladies and gentlemen, do you propose to compensate harbor residents for the security services that they provide the State? Again, DLNR security is NON-existent in our harbor system (easily fact checked). This provision alone should be the basis for a petition to recind completely, the liveaboard fee, but, together with the fact that liveaboards do not receive so-called 'additional services', there should be NO question in the minds of honest legislators that fees should be recinded -- certainly not increased.

What about the additional usage of bathroom facilities, you might ask? Bathroom facilities provided in the State's harbor system are so deplorable that more than 75% of harbor residents will not use them and will, instead, pay for a yacht club membership for the sole purpose of using the club's facilities, or, will install, at their own expense, full bathroom facilities on board their vessels. The most common descriptive term used during the Hawaii Ocean News sponsored survey was "deplorable", describing State supplied bathrooms in the harbor.

Electricity is paid for directly to HECO, in most liveaboard cases.

Additional "wear and tear" on harbor facilities? NO more than non-liveaboard tenants because all liveaboard activities take place on board the owner's vessel, and the vessel itself maintained at the expense of the owner.

Embarrassingly, the charges levied against liveaboard tenants in the harbor system, seem to be nothing more than State sponsored protection racketeering, and this is not meant in jest. According to our survey, the main reason that people go through the trouble (years of waiting + expense) to obtain a liveaboard permit is that they don't want to be caught on board without one, and thus be liable for heavy fines and possible ejection from the harbor system. Interestingly, since there is no real enforcement of this type in the State's harbor system, the fear of being caught without a permit is illusory, as the many illegal liveaboards in the system will attest to. And, in point of fact, it is for this reason that there are far more illegal liveaboards in the harbor system than legal.

Voting to increase rates, for any reason, will be done without evidence for need, without basis in fact, and without the understanding of the subject matter that is necessary to cast an informed vote on this agenda item.