

STAND. COM. REP. NO. 565

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 1165

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 1165 entitled:

"A BILL FOR AN ACT RELATING TO OCEAN RECREATION COMMERCIAL PERMITS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to issue new ocean recreation commercial permits by public auction.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from the Ocean Tourism Coalition, Malolo Charters, Trilogy Excursions, and two individuals.


Your Committee finds that there are an increasing number of commercial ocean recreation providers requesting to operate in state waters. Your Committee believes that the fairest way to issue the limited commercial permits available under these circumstances is through public auction. The fees collected through public auction of permits to operate from state small boat harbors go toward the operation, maintenance, and management of all state small boat harbor facilities under the control of the Department of Land and Natural Resources. Ultimately, this measure would allow the Department of Land and Natural Resources to increase revenues through higher permit fees arising as a



result of competitive bidding through auctions. Your Committee notes that this measure is not intended to affect existing commercial permits. In situations where unfairness to permit applicants may result if a lottery or first-come, first-served method is used, the Department of Land and Natural Resources believes that having the authority to auction new permits would provide a better opportunity for existing established operators to obtain a permit.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1165 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

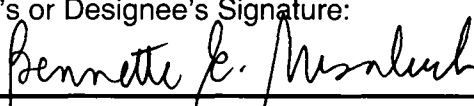
Respectfully submitted on  
behalf of the members of the  
Committee on Water and Land,

  
LORRAINE R. INOUE, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Water and Land**  
**WTL**

Bill / Resolution No.:* <i>SB 1165</i>	Committee Referral: <i>WTL, WAM</i>	Date: <i>2-17-2021</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	✓			
KEITH-AGARAN, Gilbert S.C. (VC)	✓			
MISALUCHA, Bennette E.	✓			
RIVIERE, Gil				✓
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<i>4</i>			<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes