

HB-1025

Submitted on: 2/8/2021 3:07:42 PM

Testimony for EEP on 2/11/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Leimomi Khan	Individual	Support	No

Comments:

Support for all of the reasons stated in the bill. Sufficient resources must be made available to assure that we malama 'aina, our most precious asset.

February 11, 2021

The Honorable Nicole E. Lowen, Chair

Housing Committee on Energy and Environmental Protection

Via Videoconference

RE: H.B. 1025 Relating to Funding for the Division of Conservation and Resources Enforcement

HEARING: Thursday, February 11, 2021, at 9:00 a.m.

Aloha Chair Lowen, Vice Chair Marten, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** House Bill 1025, which allocates a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

While HAR supports efforts that conserve our islands natural resources, we oppose the funding mechanism which, we believe, should be directly supported through the general fund, and not through the Conveyance Tax.

The problem with linking the Conveyance Tax to new special funds, is that it fluctuates with the increases or decreases in the housing market. In a down market, there will be a gap between the Fund's needs and the taxes collected. Real estate is cyclical, and by tying in a special fund to the Conveyance Tax; it will become a target to increase the Tax during a down market which has happened numerous times due to a recession, including in 2009 during the Housing Crisis. As such, the Conveyance Tax is an unstable means of funding.

The Conveyance Tax also is very broad and applies to the conveyance of multi-family rentals, land for residential subdivisions, mixed-income and multi-use properties, commercial properties, resort properties, and agricultural lands, as well as condominium and single-family homes, applicable whether or not a property is sold at a gain or a loss. As such, it adds to the cost of housing and doing business in Hawai'i.

HAR further adds that the Conveyance Tax was originally created to cover administrative costs of recording real estate transactions, such as those performed by the Bureau of Conveyance, for which there is a clear nexus. Hawaii's natural resources are enjoyed by residents and visitors as a whole, and as such, should be supported via the general fund.

Mahalo for the opportunity to testify.



February 11, 2021, 9am

TO: Honorable Chair Lowen and House Environmental Protection Committee members

SUBMITTED BY: Inga Gibson, Policy Consultant, For the Fishes
ponoadvocacy@gmail.com, 808.922.9910

RE: SUPPORT for HB1025; RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT.

For the Fishes respectfully urges your **support of HB1025** which would allocate a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

Historically, DLNR and specifically, DOCARE, has been severely underfunded, having one of the lowest rates of state funding per person, when compared to all other state wildlife agencies. DLNR-DOCARE is mandated to protect our natural resources, held in the public trust, from activities that severely degrade our marine environment, such as preventing the poaching of our reef wildlife through aquarium collecting for the mainland pet trade. The aquarium trade, similar to the shark fin trade that was prohibited in Hawaii in 2010, is inherently difficult to regulate. Until the aquarium trade is completely closed through state legislation, poaching will continue, as any legal activity only serves to provide cover for illegal activity.

Please see below media articles supporting the need for additional DOCARE funding as all of these defendants had been reported to DOCARE for **years**, yet it was only when NOAA's Office of Law Enforcement provided their resources and expertise, did it result in an investigation and subsequent charges. DOCARE stated that it was their lack of staffing, funding and resources as to why they could not intervene earlier to investigate these poachers. DOCARE Officers are only funded to work day shifts, not after hours, overtime, weekends, holidays.

Thank you for your consideration of this testimony.

Five aquarium collectors were separately found poaching our reef wildlife in West Hawaii in the

past year alone and only charged when NOAA OLE intervened:

<https://www.staradvertiser.com/2020/06/06/hawaii-news/a-west-hawaii-aquarium-fisher-gets-a-small-fine-for-a-big-illegal-haul/>

<https://www.hawaiitribune-herald.com/2020/09/17/hawaii-news/illegal-aquarium-fishing-arrest-prompts-search-and-rescue-mission/>

<https://dlnr.hawaii.gov/blog/2020/09/16/nr20-143/>

<https://www.kitv.com/story/42561612/naalehu-man-arrested-for-illegal-takes-of-hundreds-of-fish>

<https://www.bigislandvideonews.com/2020/02/22/dlnr-two-men-caught-taking-550-tropical-fish-in-kawaihae/>

<https://mauinow.com/2020/02/22/two-men-cited-for-illegal-aquarium-gear-fish/>

<http://dlnr.hawaii.gov/blog/2020/02/21/nr20-026/>

<https://www.hawaiinewsnow.com/2020/05/23/dlnr-proposes-k-fines-alleged-aquarium-fish-poachers/?outputType=amp>

[Kealakekua couple to pay \\$76,400 to settle aquarium poaching case | West Hawaii Today](#)

<https://www.staradvertiser.com/2021/01/14/breaking-news/west-hawaii-couple-fined-76k-for-the-illegal-harvest-of-aquarium-fish/>

HB-1025

Submitted on: 2/9/2021 5:09:03 PM

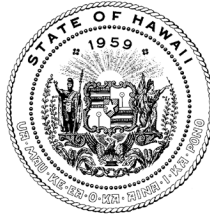
Testimony for EEP on 2/11/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lois Crozer	Individual	Support	No

Comments:

The conveyance tax should probably be increased as well but certainly a portion should go to the protection of our resources since buildings degrade it.

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 Senator Committee on
ENERGY & ENVIRONMENTAL PROTECTION

Thursday, February 11, 2021
9:00 AM

State Capitol, Via Videoconference, Conference Room 325

In consideration of
HOUSE BILL 1025
RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND
RESOURCES ENFORCEMENT

House Bill 1025 proposes to allocate a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement (DOCARE) of the Department of Land and Natural Resources (Department) to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources. **The Department (Department) strongly this Administration measure.**

The COVID-19 pandemic has had major impacts across the globe, both human and economic. Hawaii, while spared from the worst of the human impacts, has suffered immense economic damage as a result of the widespread coronavirus. With travel restrictions, stay at home orders, and distancing guidelines, many businesses have suffered and the current state of Hawaii's economy is a stark reflection of this. In attempt to mitigate the economic effects of the pandemic, the State is reducing general fund support for many important programs. Amongst other cuts, the DOCARE stands to lose twelve positions which are key to the efficient management of Hawaii's natural, cultural, and historic resources. Included in these positions are supervisory and clerical positions, and that of the Deputy Chief. House Bill 1025 seeks to allocate a portion of the Conveyance Tax to fund these vital positions.

Tourism, the main economic driver of the State, is fueled by Hawaii's natural beauty. Prior to the pandemic, millions of tourists would come each year to enjoy Hawaii's natural, cultural, and historic resources. If the beauty of Hawaii were to fade, so would the tourism economy. The Department and DOCARE manage all the State's land and natural resources, from coral reefs and beaches, to State parks and forest reserves, acting as a shield not only for their cultural and

recreational worth, but also their economic value. However, current budget restrictions are making it exceedingly difficult for DOCARE to carry out its mission efficiently and effectively. Investing in DOCARE is investing the long-term longevity of the state.

The development, sale, and improvement of real property in Hawaii attracts many visitors and their money. However, this also creates great pressures on the State's natural resources. Development often comes with environmental impacts including pollution and sedimentation, and increased human presence can cause erosion and over-harvesting. It is for these reasons that portions of the Conveyance Tax have been used to fund conservation programs such as Forestry Stewardship and the Natural Area Partnership. DOCARE needs to be included in the programs supported by the Conveyance Tax so that it can continue to fulfil its mission to effectively manage the natural, cultural, and historic resources of the State. The same resources that the people of Hawaii and its economy rely upon.

Thank you for the opportunity to comment on this measure.

HB-1025

Submitted on: 2/10/2021 3:10:57 PM

Testimony for EEP on 2/11/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ruta Jordans	Individual	Support	No

Comments:

This puts teeth into laws that support our Hawaiian values and culture. Please support.

HB-1025

Submitted on: 2/10/2021 3:14:32 PM

Testimony for EEP on 2/11/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jason Redulla	DLNR	Support	No

Comments:

I would like to testify for HB 1022. Please allow me Zoom access. Thank you.