

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
WATER & LAND**

**Tuesday, February 8, 2022
9:00 AM**

State Capitol, Conference Room 430, Via Videoconference

**In consideration of
HOUSE BILL 2446
RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES**

House Bill 2446 proposes to appropriate moneys to the Department of Land and Natural Resources (Department) for establishing 28.0 FTE positions in parks administration and operation (LNR 806) to implement visitor reservation systems in Hawaii state parks and appropriates additional moneys to the Department of Land and Natural Resources from the state parks special fund for purposes of state park management. **The Department is in strong support of this measure and offers the following comments.**

House Bill 2446 specifically will:

- increase the state parks special fund ceiling to \$12,000,000 by appropriating funds from the special fund to reinvest the revenue derived from fees collected from out of state visitors who patronize fee generating parks, and all campers, lodgers, concessions and lessees, into the state park system; and
- add 28 critically needed positions to improve the quality of maintenance, management, and public safety and to be more responsive with education and repairs and maintenance associated with the impacts of visitation and authorized and illicit uses.

As the least staffed state park system in the United States at 128 positions and in the bottom 5 in funding while in the top 20 of annual patronage and visitation, HB 2446 provides critically needed additional resources to reinvest in Hawaii's State Park System.

For decades, State Parks has been struggling financially to deliver quality management and service for a globally patronized park system. In the 1990's the State Park general fund budget

topped out at 8 million dollars and had a staffing base of almost 200. In the subsequent decades and up to now, general fund appropriation is at approximately 10 million – only a 2 million dollar increase in general funds over 20 years. However, since the 1990's, staffing has decreased to a current 128, while new park units have been added and are now patronized well beyond management expectations at the inception of the State Parks.

While CIP has been sought and approved for upgrades and new improvements, there is a 42 million dollar backlog in routine repair and maintenance not eligible or subject to CIP. The State Park fleet is aging, virtually all the vehicles in the fleet are previously owned government surplus vehicles purchased at auction prices. The last new truck was purchased in 2014. Equipment needs to be purchased for optimized maintenance of grounds and facilities. Funding for the 5 county lifeguard contracts has always been a challenge and a variety of funds have been used to cover the current 4.2 million dollar cost.

Revenue was peaking in 2019 (even with the previous lower fees) due to record tourism visitation. This enabled State Parks to hire a legal fellow to implement a total restructuring of Chapter 13-146, Hawaii Administrative Rules relating to fees. During the pandemic and statewide closures, State Parks initiated a robust parking and entry fee increase for out of state visitors, and a modest but realistic and fair increase in camping and lodging fees with a rate differential for residents and out of state visitors. The rate increase was set in anticipation of an eventual return of tourism, which began to rebound sooner than anticipated in early 2021.

After decades of fiscal austerity, State Parks is poised – barring future pandemic or tropical storm disruption for revenue collection – to achieve relative self-sufficiency for a variety of statewide system operating costs, contract services and upgrade vehicles and equipment, improve quality and public safety – while initiating a plan to address the deferred maintenance of facilities.

In 2020 there were 48 special funded positions that were at risk due to the complete disruption of special fund income. These were converted to general funds, and a drastic reduction of the Special Fund spending ceiling was implemented. With all positions general funded, the Legislature stabilized State Parks payroll, and the Department prefers to stay on this method of funding for salary costs for next fiscal year. These 28 additional general funded positions will be spread out over the State Park system to both increase quality of service and maintenance, and also interact with park patrons - with the goal to both inform and reduce violation of park rules through personal interaction.

It is too soon to project, but there is a future fiscal year opportunity to expand staffing with new income – but this must be tempered with caution and assurance of rollover savings. With economic stability and additional tactical fee expansion or increases, State Parks may be able to re-grow staffing prudently. With an approximate balance of 9 million in the State Parks Special Fund (S-312) by the start of the third quarter, the fiscal projection of 12 million is a very tenable target for the ceiling increase.

Since Haena State Park's reservation system (now managed in collaboration with a community non-profit) there are two new reservation systems. The second was deployed at Waianapanapa State Park, and a third is being developed for Diamond Head State Monument - creating a digital platform for examining and implementing reservations or online payment for other park units targeted for this type of visitor management. Not all State Parks either need nor will benefit from advanced reservations - each park unit has site specific criteria and patronage that must be evaluated for feasibility and success of this emerging new management tool.

Again, the Department is in strong support of House Bill 2446.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR OF
HAWAII



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CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

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Again, the Department is in strong support of House Bill 2446.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

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DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON WATER & LAND
ON
HOUSE BILL NO. 2446

February 8, 2022
9:00 a.m.
Room 430 and Videoconference

RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 2446 appropriates \$1,274,160 in general funds and establishes 28.00 full-time positions in FY 23 for the Department of Land and Natural Resources, Division of State Parks, to implement visitor reservation systems at Hawai'i State parks and appropriates \$11,908,688 in special funds in FY 23 for State parks management.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



**Department of Land and Natural Resources
Hawaii State Aha Moku
State of Hawaii
Post Office Box 621
Honolulu, Hawaii 96809**

Testimony of
Hawaii State Aha Moku

Before the House Committee on
Water and Land

Tuesday, February 8, 2022
9:00 a.m.

State Capitol, Conference Room 430 & Videoconference

**In SUPPORT of
House Bill 2446
Relating to the Department of
Land and Natural Resources**

House Bill 2446 appropriates moneys to the Department of Land and Natural Resources (DLNR) for establishing 28.0 FTE positions in parks administration and operation (LNR 806) to implement visitor reservation systems in Hawaii state parks. It appropriates additional moneys to DLNR from the state parks special fund for purposes of state park management.

The Hawaii State Aha Moku (Aha Moku) strongly supports this measure.

The Hawaii State Aha Moku System encompasses the eight main Hawaiian Islands and supports the traditional and generational knowledge of the people who are connected to each of the 46 moku and 606 ahupua'a. The system was brought forward from the 9th century, a time where sustainability and protection of resources ensured existence. It was a time where the focus of the people of the land was on survival.

State Parks encompasses 52 state parks on five of the main Hawaiian Islands. spread out over thirty thousand acres. Aha Moku works with the traditional and generational native Hawaiian practitioners on many of the ahupua'a within these state entities. Each ahupua'a is unique with its own cultural practices, identity and beliefs on the following islands where the State Parks and recreational places are located:

Hawaii State Parks - Akaka Falls (Hamakua Moku), Lapakahi (Kohala Moku), Wailuku (Hilo), Kealahou Bay (marine state park, Kona Moku); 8 recreation areas throughout the island; Kohala State Monument, Lava Tree State Monument (Puna) 16 ahupua'a impacted.

Maui – Halekii-Pihana Heiau State Monument (central Maui touching Wailuku, Hamakuapoko, Kula, Lahaina Moku), six state parks/recreation areas) 12 ahupua'a impacted.

Moloka'i – Pala'au State Park (Pala'au, Ko'olau Moku) five ahupua'a impacted.

O'ahu – Diamond Head Monument (Kona Moku), Iolani Palace (Kona Moku), Royal Mausoleum (Kona Moku); State Parks-Kahana (Ko'olauloa Moku), He'eia (Ko'olaupoko Moku), Ka'ena (Waianae Moku), Ke'ehi Lagoon (Kona Moku); twelve recreation and scenic areas. 38 ahupua'a impacted.

Kauai – State Parks: Haena (Halele'a Moku), Koke'e (Waimea Moku), Russian Fort (Waimea Moku), Napali (Napali Moku), Polihale (Waimea Moku), Waimea Canyon State Park (Waimea Moku). Nine recreational trails. Thirty Ahupua'a impacted.

Aha Moku brings many of the voices of the native Hawaiian traditional and cultural practitioners of the ahupua'a on which these state monuments, parks, and recreational/scenic places are located forward to State Parks. Their concerns and efforts toward sustainability and perpetuation of each unique place is met by State Parks to the best of their ability. But because of the lack of full-time staff to help manage the individual parks on the different islands; and because the expenditure ceiling for state parks is dangerously low cultural, community, residential and visitor needs are not met.

From a cultural position, currently in most of the State Parks, it is the generational families and resident communities that continue to voluntarily educate the public on the merits of each place. However, this is draining and often conflicts break out. Full-time staff and a workable reservation system could alleviate these public concerns.

We ask that moneys be appropriated to DLNR for establishing 28.0 FTE positions in parks administration and operations (LNR 806) to implement visitor reservation systems in Hawaii State parks and appropriate additional moneys to DLNR from the state parks special fund for purposes of state park management.

Respectfully,

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David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

Statement of
JOHN DE FRIES

Hawai'i Tourism Authority
before the
COMMITTEE ON WATER & LAND

February 8, 2022
9:00 a.m.
State Capitol
via videoconference

In consideration of
HOUSE BILL NO. 2446
RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES

Aloha Chair Tarnas, Vice Chair Branco, and members of the Committee on Water & Land.

The Hawai'i Tourism Authority appreciates the opportunity to testify in **support** of HB2446, which provides positions and resources to the Department of Land and Natural Resources to implement visitor reservation systems to more effectively manage the flow of people at our state parks.

HTA's community-driven Destination Management Action Plans (DMAPs) clearly articulated the community's desire for more effective management of our beloved state parks, and the important role of visitor reservation systems in the management of these heavily-visited sites.

We appreciate the Legislature's consideration of this measure to provide the resources needed by our partners at the Department of Land and Natural Resources, and we appreciate this opportunity to **support** HB2446. Mahalo.