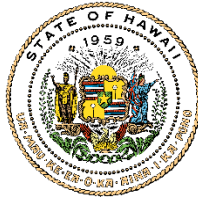


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
WATER AND LAND

Thursday, February 1, 2024
9:00 AM
State Capitol, Conference Room 430

In consideration of
HOUSE BILL 2477
RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS

House Bill 2477 proposes to allow the Department of Land and Natural Resources (Department) to issue new ocean recreation commercial use permits by unsealed public auction; revises provisions relating to boating and ocean recreation fees and permits; and specifies how commercial use permits may be issued where a permit limit has been exceeded. **The Department strongly supports this administration measure.**

There has been a rapid expansion of commercial ocean recreational activity within a relatively short period of time, leading to overuse of State boating facilities, strain on natural resources, and user conflicts between recreational and commercial ocean users.

The Department has implemented permit limits in administrative rules for certain areas under its jurisdiction, but there are a number of areas where the limit is exceeded because permittees were "grandfathered" before the limit went into effect. Further, although the Department planned to have permit counts reduced by attrition and reach the limits set in rule, most commercial use permits are held by business entities, and owners are currently able to transfer the business along with any attendant permits, which bypasses attrition.

This measure would specify that any transfer of interest in a business entity that holds a commercial use permit would cause the permit to terminate, except for transfers to spouses and first-generation lineal descendants, thereby closing the business transfer loophole to attrition. The Department included the exemption for spouses and first-generation lineal descendants recognizing that businesses take time to build, and owners may want to pass the business to their immediate family.

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

DEAN D. UYENO
ACTING DEPUTY DIRECTOR - WATER

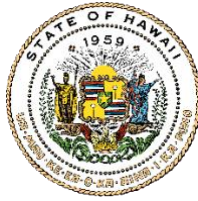
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

This measure would also provide a mechanism to issue new commercial use permits where a limit is in place, as well as a method for reducing the permit counts for designated ocean recreation management areas or State boating facilities where an applicable limit has been exceeded. The fairest method that provides the best return to the State is to auction new commercial use permits under these circumstances. For areas or facilities where a limit is implemented but exceeded, the Department would restrict bidders to only those operators currently operating in the area.

Mahalo for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

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KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
WATER AND LAND

Tuesday, February 6, 2024
10:15 AM
State Capitol, Conference Room 430

In consideration of
HOUSE BILL 2477
RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS

House Bill 2477 proposes to allow the Department of Land and Natural Resources (Department) to issue new ocean recreation commercial use permits by unsealed public auction; revises provisions relating to boating and ocean recreation fees and permits; and specifies how commercial use permits may be issued where a permit limit has been exceeded. **The Department offers recommended amendments after discussion with stakeholders.**

Following the hearing on this measure on February 1, 2024, the Department met with stakeholders to discuss concerns and possible solutions. Stakeholders were concerned with the non-transferability of commercial use permits, the fee increases, and the auctioning of commercial use permits where a permit limit has been implemented. The Department therefore removed these provisions and recommends that SECTION 2 of the measure be revised to read as follows:

"§200-10 **Permits and fees for state small boat harbors** [~~+~~]],
coastal areas, and ocean waters; permit transfers. (a) No

person shall moor a vessel in a state small boat harbor without:

- (1) First obtaining [~~a use permit~~] written authorization
from the department; [~~and~~]
- (2) Being the owner of the vessel [~~+~~]; and

(3) Paying appropriate fees set by subsection (c).

(b) In order to obtain [a] any use permit or [a] use permit renewal, the owner of a vessel shall provide, at the owner's own expense:

(1) A marine surveyor's inspection or a vessel inspection by the department, no more than two years old,

certifying that the vessel has been inspected and fulfills the requirements set by the department;

(2) Documentation that the person is the owner of the vessel. The documentation shall meet requirements established by the department; and

(3) Satisfactory proof that the person has attained the age of eighteen years prior to obtaining [a] any use permit or being placed on the waitlist for [a] any use permit.

(c) [~~The~~] A permittee shall pay [~~moorage~~] fees to the department for [~~the~~] a use permit that shall be based on but not limited to the [~~use of the vessel, the vessel's effect on the harbor, use of facilities, and the cost of administering the mooring program;~~] impact of the permitted activity on natural resources, impact of the activity on public access to and use of state boating facilities and waters of the State, and the cost of administering the small boat harbor and coastal areas programs; provided that:

- (1) Except for commercial maritime activities in which a tariff is established by the department of transportation, moorage fees shall be established by appraisal by a state-licensed appraiser approved by the department;
- (2) For commercial maritime activities in which a tariff is established by the harbors division of the department of transportation, the department may adopt the published tariff of the harbors division of the department of transportation or establish the moorage fee by appraisal by a state-licensed appraiser approved by the department;
- (3) An application fee shall be collected when applying for [~~moorage in state small boat harbors~~] any use permit and shall thereafter be collected annually when the application is renewed; provided that the application fee shall be set by the department;
- (4) If a recreational vessel is used as a place of principal habitation, the permittee shall pay, in lieu of the moorage fee required by paragraph (1), a monthly liveaboard fee that shall be two times the moorage fee that would otherwise be assessed for a vessel of the same size;

(5) If [~~a vessel is used for commercial purposes from the vessel's permitted mooring,~~] the permittee is carrying passengers for hire, the permittee shall pay[~~, in lieu of the moorage fee required by paragraph (1),~~] a monthly fee that shall be the greater of:

- (A) Three per cent of the gross revenues derived from the use of the vessel;
- (B) \$1.50 per passenger carried for hire; or
- (C) Two times the moorage fee that would otherwise be assessed for a recreational vessel of the same size[~~7~~] .

If a permittee is using a vessel for commercial purposes from a permitted mooring with the department, the fee required by this paragraph shall be in lieu of the fee required by paragraph (1) for that vessel.

For all other commercial activity, the permittee shall pay a monthly fee of three per cent of the gross revenues derived from the permitted activity;

- (6) The department is authorized to assess and collect utility fees, including, but not limited to, electrical and water charges, and common-area maintenance fees in state small boat harbors; and
- (7) All fees established by appraisal pursuant to this subsection shall be set at fair market value.

(d) The department shall not renew or issue [~~a~~] any use permit to a person who is not the owner of the vessel [~~which~~] that is moored or [~~which~~] that the person desires to moor in a state small boat harbor. No use permit may be transferred unless specifically provided by law. Any individual who is an owner of a vessel used for commercial purposes, including commercial fishing as a principal means of livelihood, and who possesses a valid [~~mooring~~] commercial use permit [~~or commercial permit, or both,~~] in accordance with the rules adopted by the chairperson pursuant to chapter 91, may transfer ownership of the vessel from personal ownership to corporate or other business ownership without terminating the right to moor or operate the vessel under the commercial use permit [~~or permits~~]. [~~The~~] Any existing use permit or permits held by the transferring individual shall be reissued in the name of the transferee corporation or other business entity.

(e) For the purposes of this section, "person" means any individual, firm, partnership, corporation, trust, association, joint venture, organization, institution, or any other legal entity, and "owner" includes the legal owner of a vessel where there is no security interest held by anyone on the vessel, a buyer under a purchase money security interest, a debtor under any security interest, a demise charterer of a vessel, or a lessee or charterer of a vessel under a lease or charter which

provides the lessee or charterer with exclusive right to possession of the vessel to the exclusion of the lessor or the person from whom the vessel is chartered. "Controlled group" means parent-subsidary corporations, brother-sister corporations, or constructive owner. "Transfer" includes any change in control, by whatever means, of any entity that owns or controls, directly or indirectly, a use permit. No permittee shall be allowed to moor a leased vessel in a berth unless the terms of the lease are set at fair market value. A "legal owner" includes a person who holds unencumbered title to a vessel or is a secured party under a security interest in the vessel. An owner who is issued a mooring permit [~~to moor a vessel in a state small boat harbor~~] shall notify the department in writing of a transfer of interest or possession in the vessel within seven days of transfer.

(f) Any person who owns an interest in a corporation or other business entity or is part of a controlled group possessing a valid commercial use permit issued by the department, in accordance with rules adopted by the chairperson pursuant to chapter 91, may transfer any or all stock or other interest to another person without terminating the right of the corporation or business entity to retain or renew its commercial use permit or any other use permit issued to it by the department; provided that:

- (1) The corporation or business entity has been engaged in the same commercial vessel activity, as defined in section 200-9, for a minimum of one year;
- (2) The seller shall pay the department a business transfer fee based on the passenger-carrying capacity of the vessels owned or operated by the corporation or business entity as provided by rules adopted by the chairperson pursuant to chapter 91, except for transfers of stock or interest in a corporation or other business entity between spouses or first-generation lineal descendants; and
- (3) In the case of a controlled group, the transferee shall retain eighty per cent control of the transferor.

Any person possessing a commercial use permit shall be required to meet minimum revenue standards~~[7]~~ as set forth in rules adopted by the department pursuant to chapter 91, as a condition of retaining or renewing the commercial use permit.

When an application for renewal of a commercial use permit is made at least sixty days prior to expiration of the commercial use permit, the department shall review the application and, within thirty days of receipt of the application, shall renew the commercial use permit or notify the applicant that the application is incomplete or cannot be

renewed and explain any reasons for nonrenewal. Within thirty days of receipt of the applicant's amended application, the department shall either renew the commercial use permit or notify the applicant that the commercial use permit will not be renewed.

If the holder of a commercial use permit fails to timely ~~[obtain renewal of a]~~ renew their commercial use permit, the ~~[holder of the permit shall automatically be granted a]~~ permittee may make a written request to the department for a one-time thirty-day extension from the date of the existing commercial use permit's expiration to obtain a commercial use permit renewal. Any such extension request must be received by the department no later than the expiration date of the commercial use permit.

(g) The department may designate moorage space within state small boat harbors to accommodate commercial fishing vessels and transient vessels.

(h) Except as provided in section 200-37(1), all new commercial use permits issued for commercial ocean recreation activity occurring in an ocean recreation management area, as defined by law or rule, that are not renewals or reissuances of commercial use permits shall be issued by public auction."

Mahalo for the opportunity to testify on this measure.

HB-2477

Submitted on: 1/29/2024 10:54:21 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg Howeth	Lahaina Divers Inc.	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Greg Howeth and I own Lahaina Divers Inc., a scuba diving charter business that operates, or rather operated, from Lahaina small boat Harbor on Maui until the devestaing fire on August 8, 2023. I hope to resume operations as soon as our harbor and town can be rebuilt..

I strongly oppose HB2477. We do not have a commercial ocean recreation operations problem, we have an ocean resource access problem. The only new harbors built oin the last 30 years were all done privately. The state has failed to fund any new harbors even though the population of HI has grown exponentially durring the same timeframe.

Hawai'i's ocean recreation industry safety practices have been developed over decades of experience, operating in the conditions, unique to our islands.

To take commercial permits away from established companies, and give them to the highest bidder wiould be devastating to our local, small businesses and ensure that only the large mainland corperations will be able to afford a permit. This also encourages a system of investing the least, in training and equipment, as a company would have no security of continued operation under this plan.

The state of HI should focus on creating more ocean recreational access not using commercial permits as a scape goat for failing to do so.

HB-2477

Submitted on: 1/30/2024 9:16:53 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
kaiwi berry	island view hawaii	Oppose	In Person

Comments:

my name is kaiwi berry. I am born & raised on the north shore of oahu & am of hawaiian lineal descent. my grandfather was a commercial crab fisherman out of haleiwa harbor. the slip that he once operated from has been passed down 2 generations & finally we were able to receive a commercial permit after 20yrs of being on the waitlist. in 2012 I started our company named island view hawaii where we operate cultural coastal tours out of haleiwa small boat harbor. this is where guests can learn the rich history & cultural significance of the north shore as well as being able to be in water for snorkel with our trained safety divers. most of our staff is of family as we are one of the only native hawaiian tour operators on the north shore.

my family & operation is strongly opposing this bill as the "auction" can just go to the highest bidder. this has happened in waikiki & the most qualified people usually get pushed out by money. this harbor & our practices have been passed down from generations & will continue in our family. this bill is not fair & is not right. please dont pass this bill & give us a chance to share our culture as weve been called to do.

HB-2477

Submitted on: 1/30/2024 10:12:23 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Manu Powers	Sea Quest Hawaii	Oppose	Written Testimony Only

Comments:

I am in opposition to HB2477. The language within the bill is overreaching and cause for great concern for hte small business community.

HB-2477

Submitted on: 1/30/2024 10:16:53 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Glimpse	Tantrum	Oppose	Written Testimony Only

Comments:

To Whom it May Concern,

I am writing to communicate my strong opposition to HB2477. I would like to give some background on myself so I can better explain my perspective. In 2011 I was blessed to be able to take my family on a vacation to Big Island. I had already been an avid freshwater fisherman on the mainland but when I got a chance to catch a couple of blue marlin I was hooked. That single trip changed the course of my life forever as I had a new purpose. I wanted to own and run a fishing charter business and be able to share the awesome experience with others. I spent the last decade-plus saving all the extra money I could and pinching every penny possible so my wife and I could move to Hawai'i and run a charter business.

We were able to realize that dream finally just over 18 months ago. As you are likely aware, charter fishing is NOT a highly profitable business but it is a labor of love and passion. Someday when I am too old to do it, I will need to sell the business to fund my retirement as no one in my family has the same ambitions to continue. To think that I would have to give my permit away to the state so they can auction it off just isn't right. I can't lose hundreds of thousands of dollars that I need to retire.

When I saw HB2477, the thought of it passing into law tore my heart out for multiple reasons.

- The thought that I wouldn't be able to sell the permit when I officially retire would financially break me. My future retirement is wrapped up in that corporation and the assets attached.

Raising the financial cost of doing business and how it would cut my business off at the knees.

- Raising the monthly fee to \$2000 or 6% would completely cut into the ability to earn a profit. Sure maybe Manta Rays, Snorkel or Dive Tours (super high volume and high participation) could afford to pay that but it would kill the typical charter fishing business.

- Charter fishermen are incredible stewards of the ocean. We know that the ocean is our livelihood and its beauty is unmatched. Aside from the occasional by-catch we catch and release 99% of all billfish back to its natural environment.

- Fishermen are already getting pushed out of Honokohau commercial use permits by big-money manta, snorkel, and dive operations. This idea of just taking away or not renewing permits and

the ones you decide to keep then putting things up for auction will just make that even more prevalent. It took me so long just to quietly find a boat and slip to purchase before it got gobbled up by those types of operations.

- If the state needs more funding, there has to be a better way than to crush charter fishermen's livelihood and future. We are some of the best conservationists on the ocean, provide a great memorable time for locals and tourists alike, and are trying to feed ourselves and our families.

Please don't crush us and take away our livelihood, and future ability to pull our equity out and retire peacefully by passing this bill. It feels like we are being asked to sacrifice because of someone's mistakes of the past.

Yours Truly,

Mike Glimpse

HB-2477

Submitted on: 1/30/2024 10:30:54 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Doug Lomenzo	Aquatic Life Divers	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Doug Lomenzo. I am the General Manager of Aquatic Life Divers, a recreational dive business in Honokohau Harbor in Kailua-Kona, Hawaii. I strongly oppose this bill. It would be highly detrimental to the ocean recreation industry in Kona and across the rest of the State of Hawaii. Therefore, it would have significant negative consequences to the economy of the State. The concept proposed by this bill has never been discussed with the industry, and must be deferred until the members of the industry have a chance to weigh in.

HB-2477

Submitted on: 1/30/2024 10:55:46 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Plunkett	Aquatic Life Divers	Oppose	Remotely Via Zoom

Comments:

My name is, Captain Ryan Plunkett, I am the fleet manager for dive business in Honokohau Harbor and have discussed HB2477 with my business partner and we believe the bill is unnecessary, inappropriate and will have a severe negative impact on the ocean recreation business in Kona and across the State.

HB-2477

Submitted on: 1/30/2024 11:21:16 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Randy Parker	Legend Sportfishing Inc.	Oppose	Written Testimony Only

Comments:

My name is Captain Randy Parker. I manage a sport fishing business in Honokohau Harbor and have discussed HB2477 with my business partners and we believe the bill is unnecessary, inappropriate and will have a severe negative impact on the ocean recreation business in Kona and across the State.

This bill will be highly detrimental to the ocean recreation industry, and therefore to the State's economy, and that the concept being proposed by the bill has never been discussed with the industry and should therefore be deferred until such time as the industry is given a chance to weigh-in, detail their concerns and perhaps offer less devastating alternatives.

Sincerley, Captain Randy Parker

HB-2477

Submitted on: 1/30/2024 11:41:29 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rebekah Kaufmann	Individual	Oppose	Written Testimony Only

Comments:

I am writing in regards to the HB2477 Administrative Bill. I oppose this bill and would like to share why. This bill if passed would devastate the scuba industry in Hawaii and have many detrimental effects to the local communities, eco tourism and overall environment.

I own and operate a scuba diving tour company on the Big Island of Hawaii. Kohala Divers operates out of Kawaihae small boat harbor and has been operating since 1984. My husband and I are the 3rd owners of the company. I have dedicated the last 20+ years of my life developing the business into a thriving operation that does so much for the community. My life plan is to continue running it in a way that contributes to the community, employs local residents, fosters stewardship of the ocean and eventually to sell it to a like-minded person who can keep its legacy going for another 4 decades. If this bill passes the business will close up shop when I am no longer able to operate it or sooner if the fees proposed make it unsustainable to visitors. I will have to walk away from my life's work unless, as the bill allows I marry the potential buyer or force my child to keep the operation going so that her parents aren't forced to retire with nothing. After years of doing everything right as business owners. This is ludicrous!!

The scuba diving industry in Hawaii is a unique industry that attracts high dollar visitors that return year after year. They bring big dollars to our visitor industry in a sustainable way that is good for small businesses, hotels, condo ownership, restaurants and more. The type of visitor that comes to Hawaii for scuba usually comes with that being the top priority to why they visit. If Hawaii were not able to accommodate safe long lasting scuba operations these visitors would not come but would choose other international destinations that do support this industry.

Scuba businesses in Hawaii are small family run businesses that hire people in our community with sustainable wages and and support our residents. It takes years to have the knowledge, certifications, and resources to maintain a safe and thriving scuba business and would not be feasible in an environment where, as this bill proposes you could lose your right to operate because someone with more money but far less experience could out bid you for your own operation.

This bill speaks of it being helpful to Hawaii's resources while in fact it would do the opposite. Currently most boating businesses operate in a way that is consciences of the fragile marine environment. Many long term boating businesses give back in big ways to keeping the reefs healthy and encouraging visitors to enjoy it in a responsible way.

Kohala Divers sponsors 6 ocean cleanup events annually, has adopted two dive sites and the highway adjacent to our business and voluntarily remove masses of debris and fishing waste from the shore lines and underwater areas where local fisherman fish from shore.

We also offer ocean conservation classes on a continuing basis and are voluntary members of the green fins organization. This certifies that we operate in a way that is sustainable to the environment.

If this bill passes the ocean sport industry will be done away with. My life's work will mean nothing and Hawaii will only have large corporations running boating businesses that put profit over sustainability and make sustainable eco- tourism unrealistic.

Please oppose this bill and help the ocean recreation business continue to operate and contribute to Hawaii's economy in a sustainable way.

Thanks for taking the time to look at this proposals actual effects on real long term residents and the visitor industry!!

Rebekah Kaufmann

Owner operator,

Kohala Divers

Big Island Hawaii

www.kohaladivers.com

HB-2477

Submitted on: 1/30/2024 12:07:59 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Tinneney	Individual	Oppose	In Person

Comments:

I am an Oahu resident, north shore lifeguard, and commercial permit holder/business operator in the Haleiwa Small Boat Harbor. I have worked my entire adult life toward the goal of owning a boating company. It has not been easy to say the least. I have jumped through hoops, I have lost money, I have spent hours away from family fixing broken engines and outriggers instead of attending my kids events, my wife has learned how to bookkeep on nights and weekends so we don't have to pay someone else to do it. As you can see, its been a journey to get to where we are now, one State wait list at a time, one lawyer explaining business documents to me at a time, one learning experience at a time. We are almost 5 years into our business and we are hopefully going to turn a profit this year after a ton of hard work, budgeting, sweat equity and calculated risk taking.

HB 2477 strips all of this away.

First, why was there no notice from the State, Division of Boating or the Harbormaster to any of the commercial operators and permit holders about this bill? Not one single person from the Haleiwa Harbor that I spoke with had notice until it came from me, and that's just one harbor in the state. On top of that, I called and emailed several State Representatives as soon as I heard about this bill and not a single one responded to me.

Second, this bill impacts more than the Harbors. It impacts all the surrounding business including shops and restaurants, as well as countless crew members and contractors (repairmen, ice vendors, etc) who are employed by the commercial operators.

Now, let's talk about the actual bill. Proposing to raise fees is arbitrary to lawmakers but is detrimental to actual business owners. The proposed fee raises would cost my business a **minimum** of about \$15,000/year. Do you realize how much business we need to generate to cover that? And that doesn't even include the increase to the gross receipts being proposed or the "bidding" costs for the yearly permits. All the while, the State run facilities are overrun with

homeless encampments, feral cats, run down bathrooms (which is embarrassing for tourists), no ice or drinking water, and no fueling station (which is so unsafe, and a totally different issue that needs to be addressed). It's bare bones at these harbors, so where are all these added fees going?

Next, the bill proposes no partnerships so that businesses can ONLY be left to next of kin or dissolved. In what world does this make sense? In what other business or industry can you imagine this type of overreach and regulation? Imagine telling a restaurant owner that they must bid at auction each year for their restaurant space. That they cannot have a business partner and their only option once they are done building their business is to dissolve it, that they cannot sell it. That even though they must invest all the resources themselves, the time hiring and training staff, paying for and applying for all the licensing/permits/taxes, purchasing kitchen and restaurant equipment, applying for and taking out loans, and money spent on marketing, lawyers, accountants, and the myriad of other things they will need. And every year they must hope they can make it through the bidding process, otherwise everything they've done is for nothing. Can you even imagine? There would be NO restaurants.

According to the Hawaii Chamber of Commerce website, at the 2022 Hawaii Economic Association Annual Conference, experts identified that over-regulation is one of the most common challenges to Hawaii's economic growth and hardships business owners face. The national think tank, Cato Institute, recently ranked Hawaii 45th in the nation among states with the most burdensome regulations. So, why do we need even MORE?!

In an article from Hawaiiifreepress.com from just two weeks ago, they indicated Hawaii ranks 42nd in the country for being the hardest state to start a business, yet number 1 for the highest cost of living. We need less regulations to let businesses thrive, not more regulation to stifle them and to make it too difficult for people to do. In fact, my wife and I are sitting here now working on how to stop a bill when we should be concentrating on our (2) businesses and both of our full time jobs. In fact, we both have full time jobs and businesses and we STILL cannot afford a home here.

In all, this bill is NOT smart. It does not facilitate business progress in the State. It does not facilitate the prosperity of the residents of Hawaii. Whatever the actual concerns are behind this bill need to be addressed in a different way. There are other ways to make money than by raising fees. There are other ways to handle permitting issues than by yearly bidding auctions. And most importantly it is unconstitutional to devalue our businesses by dissolving them at the hands of the government.

Thank you,

Kevin

HB-2477

Submitted on: 1/30/2024 12:28:59 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Bruner	Individual	Oppose	In Person

Comments:

I am writing to oppose House bill . My name is Ryan Bruner and I am the owner of Hawai'i Ocean Adventure Tours. We started our company in 2016. I am a small family owned business operating out of Haleiwa Harbor. This bill along with others proposed here will effectively put me and many other small companies like mine out of business. These companies Have been created and ran by people like myself who love the ocean, and do our best to show locals and visitors, our unique perspective. Many of us have young families, and we all rely on this income to feed and house those families. I personally have two young boys, three and seven years old, as well as my wife, who depend on this income to provide a living. Myself, as well as many of the other business owners that I know are not Wealthy, in fact, we are just getting by at this point. Any increase in fees or restrictions on transferring commercial slip permits would be a Debilitating and devastating to our livelihood. Please vote no and kill these bills. Sincerely Ryan Bruner.

HB-2477

Submitted on: 1/30/2024 1:02:11 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Porter Turnbull	North shore Siling Adventures	Oppose	Remotely Via Zoom

Comments:

As Owner , Manager, and licensed Captain of North Shore Sailling Advenures (NSSA) I would like to register a strong opposition to HB 2477. NSSA runs commercial tourism driven sail charters out of Haleiwa Small Boat Harbor. Our and other similar businesses and associated tourism activities would be adversely affected by HB 2477 as written, HB 2477 stands in complete disregard of the hardworking charter boat operators who provide tousrits with a unique Hawaiian experience and are charged with the safety of their clients. Operators are USCG professionally licensed and have spent years and have finacially invested in their owner operated business and pay significnat fees and taxes. These women and men are hard and conscientous workers who are in business to support the State of Hawaii as well as their families. HB2477 strips these business of their security, equity in their business and threatens their ability to continue to exist. HB 2477 steals the rights and secuiry of the individual workers and businesses, will force them out of business to be sold at higher gains to profit the politicians and bureaucrats that have introced this bill. Please do not allow this bill to pass commitee review. If there are issues reagrding more efficient operation of Hawaii Harbors the cooperation instead of elimination of the water front workers should be included. HB 2477 is a non informed bureaucratic money and power grab. Please consider working with established well run tax paying charter operators . MAHALO Captain Porter Tunbull North Shore Sailing Adventures

HB-2477

Submitted on: 1/30/2024 1:02:21 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Riley E. Coon	Trilogy Excursions	Oppose	Written Testimony Only

Comments:

Aloha Kakou,

As a 3rd generation family business co-owner of Trilogy Excursions, on Maui and Lana'i, I am very opposed to HB2477.

I've been a Captain my entire adult life in Maui waters, and have grown to appreciate our industry of boaters. Almost every company is a family-owned private business, with owners living here on Maui. Our livelihood provides career opportunities for local & Hawaiian kapenas (captains) who want to make a living on our amazing waters, in a sustainable and pono way.

Resorting to a public auction for renewal of commercial operating permits, will surely change our industry for the worse. We have a duty to our community, co-workers, and customers to operate a safe and reputable operation. This can only be done when you have a long time-horizon to plan for a new boat build, and investing in your team and equipment. The thought of not knowing whether you can afford to out-bid another company for your commercial operating permit is just unacceptable. It will result in many local companies being driven out, for what? just to be replaced by more wealthy off-island or foreign-backed public companies to come in and make a clean sweep.

We just recovered from COVID shutdowns, and then the Lahaina Fire. We want to survive to be a 100-year family owned Maui company who is dedicated to our community, but we need administrative rules that work with us, not against us.

Do you want to see "Sandals" Yachts move into Hawaii? Do you want to see a fleet of Royal Caribbean charter boats in Lahaina harbor? Or, do you want to maintain the integrity of locally-owned businesses, that can have an opportunity to flourish here in their home port.

A he leo wale no ('tis only a voice).

Mahalo for your consideration,

Captain Riley E. Coon

Trilogy Excursions

HB-2477

Submitted on: 1/30/2024 1:11:26 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessie croft	Explore Kauai Scuba	Oppose	In Person

Comments:

Thank you chair and members of the committee for giving me the opportunity to testify before you today. I oppose house bill 2477. My name is Jessie Croft. My husband and I have a commercial ramp permit out of Kikiaola small boat harbor on the west side of Kaua'i. We run a scuba diving tour operation that takes up to 6 people per charter.

Similar to last years house bill 1090, this bill on paper seems well intentioned and good for the environment.

This bill will impact 1,000s of people and 100's of businesses.

The reality of not renewing a commercial permit is you will end an entire business. A business that the dlnc allowed us to start when we were issued a commercial permit. It's just not fair.

Personally, my husband and I started this business from the ground up. We don't come from money so we had to take out many business loans (100s of thousands of dollars worth of business loans)that we are still working hard to pay off. The idea of our commercial permit not being renewed causes me great distress. Last year while we were trying to get house bill 1090 vetoed the stress felt unbearable. It felt like we were under attack. And it feels like that all over again.

I know for a fact that many other businesses who are at risk of loosing their permits also built their businesses from the ground up. Some of these businesses are extremely successful and provide careers for many people. Provide an income for many families.

Shutting down boating businesses will have a butterfly effect too. Boating businesses hire catering services to feed tourists on tours, mechanics to fix motors, fiber glass workers to fix dinged hulls, accountants to do their book keeping, cpas to file their taxes, social media marketers to get their businesses name out there, t shirt printing services, that's just to name a few.

Making commercial use permits non-transferable destroys business owners ability to ever retire.

Again, this bill kills jobs and will have a ripple effect throughout the state on the thousands of businesses that support the charter industry. Many commercial operators have worked and built their companies over decades only to have them stripped of their retirements.

Please we ask that you just be fair.

There are other ways to go about this than just shutting down businesses and or killing our ability to retire. This is why I oppose house bill 2477. Thank you again for taking the time to listen to my testimony. I also want to thank governor josh green for vetoing bill hb1090 last year. This bill and other bills proposed this year aim to do the same thing that hb1090 aimed to do. Please stop these absurd bills before they destroy any lives. Thank you

HB-2477

Submitted on: 1/30/2024 1:26:40 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Reece Williams	Hawaii Shark Encounters Inc.	Oppose	In Person

Comments:

Aloha,

My name is Reece Williams. Myself and my business partner, kaleo fernandes, are born and raised on the north shore of oahu and have been working in haleiwa harbor since we were legally allowed to work. I have been a boat captain running tours out of haleiwa for a decade. HB2477 will hinder hawaii residents in their business goals and would further distance the rich from the growing lower class here in the state. Hawaii Shark Encounters has been in business since 2004 and the founder was a good family friend of kaleo and I, we were excited to continue his legacy. Buying Hawaii Shark Encounters was a risky decision as we came out of the covid lockdowns. HB2477 could cause us to lose our source of income and passion. In american a common form of retirement plan is to build a business up and sell it to the next generation. HB2477 would prevent that for a lot of people and potentially wipe out a lot of jobs and hurt the local population who are already having trouble coping with the price of living here. I hope for the sake of the local population who rely on commercial operations to support their families that HB2477 does not make it passed this hearing. To reiterate, I Reece Williams, strongly oppose HB2477.

Mahalo.

HB-2477

Submitted on: 1/30/2024 1:32:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Peter Bull	Kona Seafari Inc	Oppose	Written Testimony Only

Comments:

My name is Peter Bull and owner of Kona Seafari Inc which owns a 40ft vessel, slip, sport fishing business at Honokohau Harbor. I believe the bill is unnecessary, inappropriate and will have a severe negative impact on the ocean recreation business in Kona and across the State

HB-2477

Submitted on: 1/30/2024 1:39:50 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaleo Fernandes	Hawaii Shark Encounters Inc.	Oppose	In Person

Comments:

Aloha! My name is Kaleo Fernandes. I am writing in opposition to bill HB2477. I am a born and raised resident of Haleiwa and graduated from Waialua high school in 2012. I'm 29 years old and have 5 children and one due any moment now. I am the owner of Hawaii Shark Encounters with my childhood friend Reece Williams. I started working for Hawaii shark encounters right out of high school at the age of 18, so being a boat captain is all I know. I have been a captain for 9 years now and got the opportunity to purchase the business 2.5 years ago. Making ends meet in Hawaii is tough, as everyone already knows, and the pressure of being a father in this economy is tremendous. It's hard for me to believe that after everything I've worked towards to give my kids a good life here in Hawaii it can simply be taken away by the state and place that I've always called home. Taking away someone's business and living, to then just auction it off to the highest bidder is one of the most corrupt things I've heard the state threaten to do. What am I to do if this bill passes and the state revokes my companies commercial permits? Previous generations to me have already had the chance to buy houses at lower rates and start a business and do all these things to set their lives and legacies up for their children. I didn't have the luxury to grow up with parents that "made it" and this business and line of work is the only thing going for me and my family and to have it ripped away by the state and given to the highest bidder is something that is hard to understand and process when Hawaii Is supposed to be for the local people. I have future plans and goals as to what I want to do for the rest of my life and to think I won't be able to sell the business I am trying to grow due to a commercial permit restriction in my opinion is just wrong and so corrupt. If we lose our commercial permits to this bill and can't afford to be a part of the highest bidder group, I will be left with debt that I'm paying off from buying the business and no source of income. My life will reset and I will be starting from square one. Even the option of being a boat captain for another business will be hard to pursue as to how many business' will go out of business due to this bill. I am asking you as our state officials to consider the people of Hawaii and the younger generation that calls this place home and all the families that will be affected. Mahalo for taking the time to read this. Aloha!

-Captain Kaleo Fernandes

- Hawaii Shark Encounters

HB-2477

Submitted on: 1/30/2024 1:40:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Ford	Maui Classic Charters, INC.	Oppose	Written Testimony Only

Comments:

I am writing to express my strong opposition to HB2477. There is not any way a business owner could successfully operate their business knowing that there is a possibility for their permit to be sold to the highest bidder the following year.

If this bill does pass it will be detrimental to many small businesses on Maui in the commercial boating industry which are already struggling for reasons everyone is fully aware of.

I urge the committee to reconsider this bill.

Thank you

Kevin Ford

President

Maui Classic Charters

HB-2477

Submitted on: 1/30/2024 1:58:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kayleigh Grant	Kaimana Ocean Safari	Oppose	Written Testimony Only

Comments:

I am opposing this bill as it is set up to drastically negatively change the commercial boating industry in Hawaii. The fees proposed to collect will effectively put many small, family owned, local & native owned businesses out of operation & leave only large corporations to continue operations many of which may not be local to Hawaii. Our smaller local operations are often those who care the most for our marine ecosystems. To change the minimum harbor fees to 7x the current value, to allow the state to take away our permits at any time, to make our permits non transferable is unconstitutional & sets small businesses up to fail. Please see the drastic negative repercussions this would have on our ocean tourism industry & kill this bill.

HB-2477

Submitted on: 1/30/2024 1:58:51 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Calvin Morse	Deep Blue Eco Tours	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Cal Morse and I am the founder and owner is Deeo Blue Eco Tours, a commercial permit holder in Haleiwa.

I am writing to strongly oppose this bill because the passing of this bill would be devastating for me, my family, my employees, their families and every other small business and their workers who run boat tours in Hawaii.

The passing of this bill would ultimately eliminate the small family owned businesses, strengthen the large corporate companies, unemploy thousands and destroy liveleyhoods.

Even the thought of this bill being considered is causing an enormous amount of stress in the diving,fishing, boat tour community. We are at the mercy of a money grab.

Taking away these businesses is taking away something that we have worked around the clock 24/7 to create. We have dedicated our whole lives to these businesses. Our blood sweat and tears have been poured out just to be taken away.

We all love the ocean and are stewards for the Hawaii. The small local companies are the ones that actually educate our visitors and teach them aloha aina. The huge companies that would ultimately win the bids, buy all the permits and take over are the ones that only care about money, not the people, the creatures we see, or the land and ocean that we use.

Mahalo for taking the time to read our testimony and to understand where we are coming from.

HB-2477

Submitted on: 1/30/2024 2:11:09 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shaun Elise Barnes	Kohala Blue Sail Hawaii	Oppose	Written Testimony Only

Comments:

This bill will devastate the economy of the State of Hawaii as well as have a negative impact on the health of our harbors.

Small commercial operators such as myself have invested a significant portion of their net worth in permits we purchased with the understanding that they could be re-sold. Loosing this will devastate us financially and the implications will have ripple effects throughout our economy.

Directly and indirectly, our industry provides employment for and supports countless other small businesses locally, as well as brings in visitors who come to these island specifically to employ our services.

Additionally, what will happen to our vessels if we cannot re-sell our businesses? They will fall into disrepair, be abandoned, and will pollute the very waters and ecosystems this bill is trying to save.

The health of our oceans is paramount; that's why our company has invested hundreds of thousands of dollars in RENEWABLE ELECTRIC PROPULSION, the technology is here, our charters are clean and quiet!

Let's try to work with what we have instead of gutting an entire industry,

Thank you

Shaun

HB-2477

Submitted on: 1/30/2024 2:11:35 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terry C Wigzell	Da Warrior Sportfishing, Inc	Oppose	Written Testimony Only

Comments:

I oppose HB2477. We have a commercial permit in Honokohau Harbor and have been running fishing charters since 2004. I had to purchase my commercial permit and have worked hard to pay for it and make a living off running fishing trips. Someday I would like to sell it when Im done. Its not our fault there is to many commercial permits out there. We are a fishing boat and there is not a lot of active competition in Kona. Plenty of business to go around.

HB-2477

Submitted on: 1/30/2024 2:12:51 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joseph Pavsek	North Shore Shark Adventures	Oppose	Written Testimony Only

Comments:

Testimony in opposition to HB 2477

Page 3 Section B-1...If the vessel is us coast guard documented the vessels undergo thorough yearly inspections and hull inspections every 5 years through us coast guard inspections. Tour operators operating with United States coast guard documented vessels should not have to also incur the expense of also providing the state with a marine surveyor's inspection. This is unnecessary and a waste of time and resources.

Page 5 section 5-a...Raising the gross revenue tax from 3% to 6% is extreme and unfair to commercial operators. This doubles the current tax and exceeds the Hawaii gross receipts tax. Added together hawaii gross receipts and the harbor use fee the tour operator now has to pay over 10% in gross receipts. This tax burden is too high and unfair.

Page 8 section f...There are many valid reasons an established commercial business and it's commercial use permit should be able to be sold to persons other than a spouse or first generation lineal descendant. A business owner should be able to sell his or her business for health reasons, retirement reasons or other personal instances. What if they don't have a spouse or child who can take over the business? The states wants to punish this business owner so that he or she cannot sell the business to another interested party and the business that this owner has potentially had for many years now just has to dissolve and the permit go into an auction just because he or she doesn't have a spouse or child to sell it to? This is similar to telling a restaurant owner who has operated his business for 20 years and now wants to retire that he is not allowed to sell his business to someone other than his spouse or child and now he or she has to just let it dissolve. This is very unfair overbearing by the state.

Page 11 section h...This section is particularly ludicrous. The state is essentially saying...."we have made a mistake and issued too many permits for a given area...now you xyz tour operator

who has been operating your business potentially for the last 20 years will not be allowed to renew your permit and you must participate in an auction for their permit with potentially other businesses who have only been in business for a short time”. How is this provision legal or fair?

Page 11 section I...This section gives the state far too much power and violates the commercial operators rights. There should never be a case where a commercial permit can be taken away without a hearing. This gives too much power with no checks and balances to the state of Hawaii. And the timeline for suspension or revoking of permit and request for hearing outlined on page 12 is too short. Depending on what is deemed to be the infraction, the operator needs more than 10 days to prepare for a hearing. The notification times outlined are also too shot.

We have been operating our boat tour business safely for over 20 years from Haleiwa boat harbor. The provisions of this proposed bill are unjust and essentially punish good existing businesses. Joe Pavsek from North Shore Shark Adventures

HB-2477

Submitted on: 1/30/2024 2:16:20 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erik Stein	Extended Horizons Inc	Oppose	Written Testimony Only

Comments:

The idea that someone with money will be pitted against small Hawaiian businesses that have spent years building clientele and caring for the ocean, is sickening. The secondary idea that the auction will pit operators against each other vying for limited permits is worse. Most operators of fishing and tour boats are small businesses. The expenses in the boat business are unlike those in regular businesses due to the many outside factors. (storms, fires, housing issues). We already pay our fair share. This idea of auctioning off permits only appeals to the short sighted. The Mom and Pop charter businesses should be cultivated, not sold off to outside interests with deep pockets. Wrong on so many levels.

HB-2477

Submitted on: 1/30/2024 2:18:25 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin chadick	To The Max charters	Oppose	Written Testimony Only

Comments:

I am the owner of To The Max Charters I strongly oppose this bill. I have been on waiting lists for years to get where I am today.

I am in opposition to this bill due to the extreme damage it will do to the commercial charter industry taking away many people's livelihoods, business owner's retirements, and reducing jobs statewide. This bill is based solely on subjective opinions and "feel facts". At a minimum, there should be an environmental and community impact study that pinpoints actual issues or harm related to the commercial charter industry. Then, any factual issues brought forth from the environmental and community impact study can be addressed in conjunction with the communities affected. This draconian bill overgeneralizes the entire industry while exercising great penalties on many people's lives.

I do not hold any commercial use permits, but I am in a business that interreacts and does business with commercial charter operators across the state. Like myself, hundreds of small businesses will be negatively affected by this bill, while not holding permits directly. I have had many DOBOR permit holders contact me directly and express that they are nervous to submit testimony in fear of retaliation.

If business owners cannot sell their companies, with the company commercial use permit in-tact, or have long-term security in the ability to operate the companies they have built they will not invest the needed capital to maintain a safe fleet of charter vessels. Only competition and security of investment will allow these operators to keep investing in state-of-the-art boats and the highest level of safety. Please don't let Hawaii's commercial charter fleet degrade.

In regard to the fee increases, on one hand this bill subjectively states that there is an over-commercialization of Hawaii, but also so greatly increases the fees to the permit holders that they will be faced with the choice of operating more tours with more passengers or shut down completely. There are many small operators running small boats with low passenger counts. The fee increase suggested in this bill would be the difference between them paying their mortgages or laying off employees. I do believe that commercial permit holders are using public lands and waters for their businesses and should pay reasonable fees for this use, I do not believe the state should look at the businesses built by private citizens and take the value of that business away from them only to auction this value off to the highest bidder for their own coffers.

This bill limits many companies' abilities to bring in and change business partnerships. The bill only allows for family dynasties and does not allow for the free trade of business ownership. It has no mechanism other than shuttering a business if a partner passes away and has no relative to leave their interests to.

I urge you to strike down this bill that is a draconian money and power grab and has no factual basis proven.

HB-2477

Submitted on: 1/30/2024 2:23:28 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Koa Fuller	Komohana Charters LLC	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing in reference to bill HB2477 and HB2477. As you may know DLNR-BOR has submitted a house bill that will severely reduce the commercial operator’s abilities to operate, grow, or sell their companies. DOBOR believes there has been an over-commercialization of Hawaii waters and wants to take away our livelihoods, retirements, and jobs. The bill was designed grouping all islands together without taking into consideration the amount of local community members it would affect on individual islands. This letter will be specifically discussing the repercussions that this bill would cause on the Island of Kauai, out of Kikiaola Small Boat Harbor.

Please allow me to tell you a little about myself and my family. My grandfather was one of the first captains ever to operate tours along the NaPali Coast, I feel the calling is in my blood, it was his dream to have his own company and it never happened for him. After years of the typical local scramble for livelihood and working multiple jobs as well as earning income from fishing, we still required government assistance. In 2018 my wife and I had the opportunity to purchase a commercial permit to operate tours, as if it was meant to be. We did everything we could to secure this permit and build a company that we could be proud of, offering the coast and its history the respect that it deserves. We own one permit, one 6 passenger boat. Finally after a life of struggles I felt I could support my family and be able to breathe, I help support my parents and their property off my income, our property not only houses two of my sibling and their spouses, but now my aunt and uncle that had to move back to island due to health issues. Our story is not unlike many on the islands having to group together to even pay the bills. I felt I had secured a future for my kids, I felt I could help my family and friends.

I do not know a lot of laws and hardly understand most of them. I do not have connections, however I do know that I can plea for my family, for the jobs of locals employed at this harbor that are struggling to stay in their homes, and plea for the generations of my own family that will be directly effected by such a decision. We are not faceless, we are not nameless. My daughters name is Koali she is 8 years old, my boat is named after her, her dream is to be a captain on the coast like her Daddy. My son is Maluhia, he is 5 years old, his love for the coast is as strong as

my own, he asks to be told the Hawaiian tales of the NaPali as his bedtime stories. We have not only invested our worldly possessions in this business but we have have invested our hearts and lives.

This bill will not only mean that we could lose our company altogether but that the state and DLNR can increase fees till the point we cannot pay, that they can take our permit at anytime. It means that IF we are lucky enough to continue, all the money, blood, sweat, tears, and time building a business doesn't matter because we cannot even sell it in the future if we need the money, its like taking someones hard earned retirement away from them at the end of life.

Last year while facing HB1090 we realized we are under attack, we have made enormous changes at the harbor and within the community to address the issues that were supposedly the problem, just for it to continue this year. The environmental bill was voted in giving \$1 per passenger to the DOBOR ocean stewardship, ontop of the other fees and taxes we pay to DLNR. Unfortunately, it seems its more about greed and control than it is about the people or environment. But I do ask, If a plan isn't in place on how Hawaii will function without tourism then why are we decreasing jobs in an already struggling community? How will the state or harbors function without the millions brought in by these tour companies? Losing the local and native Hawaiian jobs out of Kikiaola is only the tip of the iceberg. The entire community as a whole will suffer as families like ours rely off each other having jobs, but also the local businesses in Waimea face closure as the flow of tourism will greatly decrease. The idea that Hawaii has become a playground for tourists isn't untrue BUT Tourists will continue to come to the islands because nothing has been done to stop them on any other fronts, boating isn't what bring them here BUT it is what will take their money and give them something to do. Without activities they will be at the beaches enjoying resources without spending, and making locals even angrier. Why is the boating industry the only ones under constant attack?

We are in favor of keeping the ocean safe and clean. We are in favor of meeting the needs of locals. We are in favor of a conversation and even change. But we cannot devastate a community and 100s of families on our island, and likely 1000s between islands, due to the greed and desire of total control by the government.

Mahalo for your time,

Koa Fuller

808-652-8293

HB-2477

Submitted on: 1/30/2024 2:24:01 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lewis Upfold	Maui Adventure Cruises	Oppose	Written Testimony Only

Comments:

This bill is utterly irresponsible and insulting. Maui's community and businesses were ravished by devastating wildfires less than 6 months ago, including our boating business which was lost when the fires destroyed Lahaina Harbor. As we strive to rebuild what was lost, and struggle doing so, we are met with an absolute hammer to the gut that is this bill. Maui as a whole has seen devastating loss of business both directly and indirectly, the economy is struggling, and these businesses can barely keep their doors open to provide employment opportunities for thousands of Maui natives. This bill only seeks to hurt and damage these struggling companies. This bill hurts and damages struggling families. Why are commercial operators being penalized just for being who they are? Why is their hard earned business and acquired permits, which legally allows them to operate being restricted and threatened? What benefit does this serve anyone? A recent implementation of customer fees was just made effective, and now they want to triple that fee. It's unclear what these funds are going toward in the first place. The 3% harbor fee was high, but operators willingly paid it under the impression that the harbor facilities and amenities would be improved and looked after. Which hasn't been the case. When the harbors can tell us exactly what the 3% went to all these years, then and only then can we discuss whether it needs increasing. And to 6%?! 6% of a company's hard earned gross revenue? Business owners risk their lives and livelihoods building and operating these businesses, and somehow 6% should be given away to a department that hasn't shown to responsibly or transparently spend those funds. This bill should not be passed in any manner, and definitely not without the thorough consultation of those who it affects most, the business operators and the thousands which rely on those jobs.

HB-2477

Submitted on: 1/30/2024 3:22:17 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Katie Stark	Redline rafting	Oppose	Written Testimony Only

Comments:

I oppose

HB-2477

Submitted on: 1/30/2024 3:43:03 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaylah-Leilani Kimokeo-Ragocos	Holo Holo Charters	Oppose	Written Testimony Only

Comments:

This bill is not only extreme but also a reckless money grab. DOBOR wants less business but more money from who is left standing. Many commercial operators have worked and built their companies over decades only to have DOBOR strip their retirements away from them.

HB4277 / SB3166

Aloha, This bill will impact the Hawaii state marine community in a prejudicial manor with misguided changes that fail to meet their intent. Addressing the attrition argument, this is a overstep with large negative consequences. Attrition is addressed in the waitlist. The discission to not renew commercial permits to decrease activity in certain areas has been exercised. This argument is simply prejudice to corporations that will ultimately insure a federal case demonstrating a state violation of the U.S. constitution. Concerning the rapid increase in gross receipts, and the mention of the lack of ability to mange the current funds. It should not fall on the marine operators that management is failing. The extra marine tax or GR that is paid on top of state taxes does not go back to the boating community or to the state managed budget but to the general fund. Increasing the GR by over 100% does not correlate to any increase to funding for better management or support to marine infrastructure. These Bills should be delayed or dismissed as they are clearly being railroaded through the legislative system. These large increases in gross receipts are to be implemented immediatly. Not at a fiscal year, making more undue burden across the marine community and its network of small business. I request this bill be delayed or dismissed to be better thought out, its destructive implications as it is will ripple through the state economy. Mahalo

HB-2477

Submitted on: 1/30/2024 3:56:37 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
chris stearns	Kenui Charters	Oppose	Written Testimony Only

Comments:

Oppose

HB-2477

Submitted on: 1/30/2024 3:58:57 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Richard Kersten	Sea Paradise Scuba Inc.	Oppose	Written Testimony Only

Comments:

Strong opposition to this bill! Unfare advatage for large ocean operations.

Richard Kersten

President

HB-2477

Submitted on: 1/30/2024 4:01:37 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Harold Thomas	Oahu Ocean Adventures	Oppose	Written Testimony Only

Comments:

Oahu Ocean Adventures has been in operation for a few years now. During that time the Business has struggled to make ends meet with the downturn in tourism not to mention Covid. I believe the \$2000 minimum fee, Which is seven times what it has been paying based on its current business, will put the struggling business in a state of hardship.

This bill will put small businesses out of business.

Please reconsider the onerous fees for smaller companies making less than \$33,000 per month 🙏

HB-2477

Submitted on: 1/30/2024 4:03:28 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Peter Colombo	Hawaii Ocean Rafting	Oppose	Written Testimony Only

Comments:

TESTIMONY (HB2477):

Subject: Opposition Testimony for HB2477

**Peter Colombo, 5095 Napilihau Street, 109B #242, Lahaina, HI, 96761.
peter@hawaiiocceanrafting.com. (808) 446-2492. January 30th, 2024.**

RE: 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS.

I am writing to express my strong opposition to 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS., which specifies that the Department of Land and Natural Resources can issue new ocean recreation commercial use permits by unsealed public auction. As a small native Hawaiian business owner with a tour boat operation, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

After losing our home, shop, place of business and small boats in the Lahaina Fire, our permits are all that we have left, with hopes of rebuilding when Lahaina Harbor is back in operation. Putting our permits at risk, takes away all we have left to hope to operate our small business again.

I am a native Hawaiian who owns a small ocean recreation business that focuses on education and small group eco-tourism. This bill would allow big business to outbid native Hawaiian residents like myself, so that we are no longer able to stay in business, forcing us to move off island as it would eliminate our jobs, income, home and community. There is no benefit to this bill for the community, especially native Hawaiian's like myself who already have to compete against big commercial operations. Continuing the current process for obtaining permits contributes to the small community mindset, work ethic and local collaboration that is important to us Lahaina residents and small business owners.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The ocean recreation industry is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are a small, eco-minded native owned business committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Peter Colombo, President, Lahaina Charter Boats Inc. DBA, Hawaii Ocean Rafting.

HB-2477

Submitted on: 1/30/2024 4:16:28 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Blake Moore	Teralani Sailing Adventures	Oppose	In Person

Comments:

Opposition to HB2477 - Relating to Commercial Ocean Recreation Operations

Dear Chair and Committee Members,

I am writing to express my strong opposition to House Bill 2477, titled "Relating to Commercial Ocean Recreation Operations," which aims to specify that the Department of Land and Natural Resources can issue new ocean recreation commercial use permits by unsealed public auction. Additionally, the bill revises provisions related to boating and ocean recreation fees and permits and specifies how commercial use permits may be issued when a permit limit has been exceeded.

After reviewing the latest draft of the current measure, I am concerned about the potential ramifications of these proposed changes on the commercial ocean recreation industry and the broader community. The idea of issuing new permits through unsealed public auction raises questions about fairness, transparency, and the accessibility of permits to a diverse range of businesses and provides unfair advantages to corporations or individuals with the most accessibility to liquid assets.

The commercial ocean recreation industry is a vital component of our local economy, providing employment opportunities, supporting small businesses, and contributing to the unique character of our coastal communities. Introducing unsealed public auctions as the method for issuing permits may disadvantage smaller operators and businesses, potentially limiting their ability to participate in ocean recreation activities.

Furthermore, the revisions to boating and ocean recreation fees and permits may have unintended consequences for both businesses and the public. It is crucial to strike a balance between supporting the sustainability of the industry and ensuring that the public can enjoy ocean recreation activities without overly burdensome fees or restrictions that are often accompanied by unintended consequences.

In light of these concerns, I urge the committee to carefully reconsider the provisions outlined in HB2477 and engage in collaborative discussions with stakeholders to develop solutions that promote fairness, transparency, and the continued vibrancy of our commercial ocean recreation industry.

I appreciate your attention to this matter and would welcome the opportunity to discuss my concerns further during any upcoming hearings or meetings related to HB2477.

Sincerely,

Blake Moore

HB-2477

Submitted on: 1/30/2024 4:16:43 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Adrian Bertsch	Holo Holo Charters Inc.	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for HB2477

Adrian Bertsch

PO Box 53

Kalaheo, HI-96741

eng@holoholocharters.com

(808)4824115

1-30-2024

Dear Committee Chair,

RE: HB2477

I am writing to express my strong opposition to HB2477 which proposes significant restrictions to safe charter boating, free and fair business practices, and represents an extreme money grab effort from DOBOR.

Holo Holo Charters, like many of us, have been investing millions of dollars over the years to guarantee safe boating practices, infrastructure, employee benefits, helping the community and eco-friendly tourism. Who would be interested in spending all this money if the business can't be sold or transferred to whoever the business wants?

Furthermore, I have to say that every company already pays enough taxes to the state. This bill is not only extreme but also a reckless money grab. DOBOR wants less business but more money from who is left standing. This bill kills jobs and will have a ripple effect throughout the state on the thousands of businesses that support the charter industry. Many commercial operators have worked and built their companies over decades only to have DOBOR strip their retirements away from them.

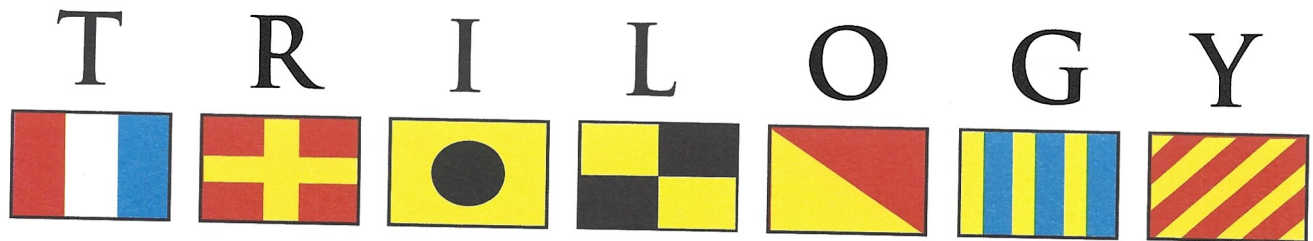
I urge the committee to reconsider this bill since it would have a negative impact on our economy and thousands of individuals.

While I understand that there have been too many permits issued, and this is an attempt to get rid of some, I strongly oppose this bill. There are better ways to get this done.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Adrian Bertsch, Co-Owner, Holo Holo Charters Inc.



COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair; Rep Mahina Poepoe, Vice Chair

Rep. Cory M. Chun Rep. Dee Morikawa Rep. Sonny Ganaden Rep. Gregg Takayama
Rep. Mark J. Hashem Rep. Kanani Souza Rep. May Besario Mizuno

NOTICE OF HEARING DATE: Thursday, February 1, 2024 TIME: 9:00 AM PLACE: VIA
VIDEOCONFERENCE Conference Room 430 State Capitol 415 South Beretania
Street

TESTIMONY OF JAMES COON SPEAKING IN STRONG OPPOSITION TO HB2477

Chair Ichiyama, Vice Chair Poepoe and Members of the WAL Committee:

My name is James Coon, President of Maui's oldest sailboat charter company in our 51st year of business. I am speaking in strong opposition to HB2477. DOBOR's proposed Comprehensive management plan appears to be reactive and will cause much harm to the Ocean Tourism sector.

Permit Fees Increase:

The proposed legislation includes a significant increase in permit fees, doubling the percentage of gross revenue from 3% to 6% and adding an additional \$3.00 per person. The Ocean Tourism Industry average is 7.44% net profit before taxes.

This increase will lead to economic hardship for most operators, driving many businesses out of operation.

Restrictions on Business Sales:

The legislation seeks to prevent commercial businesses from selling their operations or a portion of their business, making it impossible for operators to retire, sell to employees, or secure financing for vessel replacement.

Ocean Recreation Management Areas:

The proposal designates all state waters out to 3,000 feet from shore as Ocean Recreation Management Areas, accessible only through DOBOR permits obtained through a public auction process. We believe this is an overreach by DLNR DOBOR

This setup will cause great instability in the Ocean Tourism Industry, result in the demise of many fine and upstanding companies that have been in these communities for decades, and unnecessarily hurt so many people.

Confiscation of Permits:

The legislation suggests using a public auction process to confiscate permits issued by DOBOR when more permits were given than legally authorized.

A fairer approach would be to prioritize the oldest permit holders first by seniority, similar to how harbor slips are allocated.

Impact on Community:

I want to emphasize the negative consequences of the proposed legislation on the commercial boating industry, including potential business closures and the loss of an industry that has been a good steward of the environment and a supporter of the community. By DOBOR's own testimony it is stated that they are not proactive in addressing the alleged problems but are reactionary.

The intended or unintended consequences of this reactive piece of legislation would be very detrimental to the commercial boating industry and the community as a whole. A more thoughtful and fair approach would be to address the concerns raised by the Ocean Tourism Industry, work with us to resolve these issues.

Please do not pass this reactive and mean-spirited piece of legislation.

Sincerely,



James E. Coon, President

WRITTEN TESTIMONY AGAINST HB2477

Dear Committee on Water and Land:

Please accept my written testimony in strong opposition to HB2477 outlining possible changes to many aspects of commercial use permits throughout Hawaii. If allowed to pass these changes will create disastrous impacts for boat owners, operators, their clients and their employees.

- *The transference proposal* which suggests that permits (*aka the ability to own and operate the business*) be limited to only between spouse or immediate family members will effectively (a) potentially lead to current strong, positive and professional owners of businesses to leave Hawaii and sell their business, which in many cases they've worked decades or their entire lives in now before the rule gains traction (b) lead to disrepair, reduced interest, upkeep and aesthetics if an heir is not willing or able to step in (c) erase a boat / business owners investment and desire to keep a strong, positive, professional business as it becomes basically worthless without the ability to at some point, someday sell that entity including it's ability to operate under permit. The use permits must remain transferable under current, existing guidelines or no person in their right mind would invest and support a business that one year at a time has a "renewable" permit given all standards are followed and then it vanishes and the years, decades, sometime and entire life has been put in to build that business. Although this proposal is for statewide, where I believe it is totally and without doubt a mistake I am commenting from the standpoint of a Maui resident in business for 40 years that after the damage of COVID then the tragic fires adds terrible insult to injury
- *Regarding the auctioning of permits and an open ended ability to raise fees*- Changing to a status of allowing DOBOR to auction permits to the highest bidder is a disincentive to anyone spending significant capital to keep their business safe, viable and successful. Opening Hawaii's boating industry to large mainland corporations with deep, perhaps endless pockets while pushing aside the small, local business entrepreneur is greedy and unconscionable. Of all the hurdles and challenges to owning and operating a business in Hawaii (nationally seen as one of the hardest states in the country to do so) open ended fee adjustments and auctions effectively kill the small business backbone of our community.
- *Unchecked, random control by DOBOR*- Allowing DOBOR to randomly remove some or all permits and effectively kill those businesses will have catastrophic, unintended consequences and further push anyone away from considering business entry.

- Waitlist is and has been working- The waitlist for permits, slips and other items necessary to operate a boating business_ has been in place for decades and has worked fairly and smoothly. This should be continued.

I urge and implore NOT passing HB2477.

Thank you.
Sincerely,
Michael T. Kelley

47 year West Maui resident and boating business owner

HB-2477

Submitted on: 1/30/2024 5:00:06 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Water Inspired Conservation Group	Save The Ocean	Oppose	Written Testimony Only

Comments:

Aloha,

While we appreciate that the state department wants to limit the impact on natural marine resources and agree that limits need to be established to do so, the method via unsealed public auction for permits means that potentially older and more qualified companies are not able to procure the permits, potentially increasing the chances of environmental damage and safety issues from unqualified or poorly managed auction-permit-purchasers.

We request that current permit holders who have been in operation more than 5 years (or prior to Covid-19 shut down) be grandfathered in, and that if limits are to be adjusted, that newly issued permits be revoked or revoked for auction so more experienced and established kama'aina operators are able to continue their businesses.

Request that operations that are deemed to be “unsafe” or “potentially unsafe” to be defined by actual instances so that if an operator has not had any safety issues they are able to continue to operate, as some companies who are more than 10 years old and have a perfect safety record due to good management and training, should not be unjustifiably shut down simply for “perceived” safety issues. All ocean related activities pose some level of risk given the wild environment, wildlife, and especially the varying levels of experience and skill of marine operators. A clarified and defined determination of the safety protocols, training, procedures, and qualifications for each activities operations could be put on file and considered for each permit renewal. Higher minimums for life saving certifications, licenses, and other important safety qualifications, etc could be established for commercial operators to better manage risk when issuing or renewing permits.

We are in support of the ocean steward fee of \$3 per passenger as we understand the important task the state has to protect marine resources and enforce rules to help commercial and recreational operators.

In regards to the transfer of ownership we appreciate that the state wants to keep job opportunities for kama'aina and their ohana, perhaps allowing a one to two year consideration period for those wishing to transition their companies for their extended ohana or friends, might be a more fair or reasonable term for consideration.

Mahalo nui loa, thank you very much for your time and attention regarding the potential implications of this bill and especially for your adjustments to support kama'aina and protect marine resources.

Aloha,

Current stake holder:

Save The Ocean

Aloha,

Thank you for taking the time to read and think reasonably about the reasons why you should vote NO against this BILL.

The Ocean is a public place for commercial and noncommercial activities. Both constitutionally protected rights of mine to work as I see fit, and to Travel as I see fit, are clearly being infringed here.

1st, 14th amendment

This Bill and a few others are an attempt to give our current stake holders positions up for a complete dictatorial control by DLNR/DOBOR. The department has been plagued with corruption for years and it does not need supreme powers. It needs new leadership and Legislative oversight.

Each year DLNR/DOBOR has a public meeting and hearings in which the public has spoken in opposition of the department. Now they ask you for control without public input. Where are the sunshine laws when you need them. I have been in business for the last Decade as a boat Captain. I have followed laws and paid my fair share in fees that are constantly rising without much notice. Giving more powers to DLNR/ DOBOR regarding any matter is a risk to friendly public policy, and a potential detriment to small business owners who are most of the charter businesses. HB 2477 goes hand in hand with this one to gain all public owned ocean domains under the control of a department that struggles with its current tasks. The current Director Underwoods conduct resulted in the State having to pay a settlement for SA to a woman under him in his department. This is not someone who should be leading any state department, let alone asking for complete control of the shoreline/ surrounding areas.

Thank you for upholding the rights of the people, Ensuring the voices of the people will continually be heard at a legislative level concerning These issues. The negative effects of this BILL reach far beyond the small charter companies in Hawaii. If less businesses are operating how does the department assume to afford a functional budget. Highest bidder auctions exclude many minority groups currently in operation. This department cannot be given this ability along with the ability to restrict commercial activity to someone who is following all the laws. following all statutes. Paying all his fees on time, no excuses. Why is it always an attempt to take away what we have worked for instead of some kind of buyout option. The stakeholders have 100% of the responsibility and investment and DOBOR wants to take away our say in this and other matters pertaining to this BILL.

Thank you for standing up for the little guys and the American Dream of Business ownership.

Johnathan Droge



**HOUSE OF REPRESENTATIVES
THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2024**

COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair

Rep. Mahina Poepoe, Vice Chair

Rep. Cory M. Chun

Rep. Dee Morikawa

Rep. Sonny Ganaden

Rep. Gregg Takayama

Rep. Mark J. Hashem

Rep. Kanani Souza

Rep. May Besario Mizuno

NOTICE OF HEARING

DATE: Thursday, February 1, 2024

TIME: 9:00 AM

PLACE: VIA VIDEOCONFERENCE

Conference Room 430

State Capitol

415 South Beretania Street

Dear Chair Ichiyama, Vice Chair Poepoe, and members of the Committee on Water and Land:

The Ocean Tourism Coalition (OTC) represents hundreds of tour operators and charter boat businesses statewide. I am writing to express our concerns and strong opposition to HB2477. This is one of the most devastating and far-reaching bills we have seen in years, and we would ask that the committee not pass the bill based on the following:

Auctioning of Permits: Of particular concern is the proposal to allow the Division of Boating and Ocean Recreation (DOBOR) to terminate permits and then auction the permits to the highest bidder. The issuance of permits beyond the limits established by rule is a problem created entirely by DOBOR. Despite this, OTC previously collaborated with DOBOR to address over permitting concerns in a more fair and balanced manner. However, it appears DOBOR has chosen to toss our input to the side in favor of increasing revenues at cost of smaller operators who will be less likely to afford the cost of purchasing a permit at auction.

Increase in Fees: The proposed fee increases, particularly the increase from 3% of gross receipts to 6% of gross receipt plus \$3 per head, is both unreasonable and untenable. Has there been any type of study showing that the boating industry can afford this almost three-fold increase in fees? What are the justifications for such a large fee increase? When OTC worked with the Division of Aquatic Resources to create the Ocean Stewardship Fee, a \$1 per passenger fee that just into effect, there was a clear understanding that some of these funds would be used to help maintain the day-use mooring program. This was a mutual benefit to both the environment and boat operators who have historically maintained the moorings at their own expense.

However, DOBOR has not stated how these significant increase in fees will be used nor have they provided stakeholders with any justification for them. Instead, it appears this is simply a move by DOBOR to increase revenues with the added potential benefit of decreasing the amount of commercial use permits by putting operators out of business.

Limiting Permits to Transferability: The proposal to make 100% of commercial use permits non-transferable, except within immediate family lines, severely limits the ability of businesses to adapt, grow, and innovate. This restrictive approach hinders the potential for new partnerships, collaborations, and the transfer of businesses between willing parties. Selling a business is often the only retirement plan for many commercial operators and this will effectively terminate this option.

Restrictions on Business Partners: The prohibition on business partners selling interests internally creates unnecessary barriers for businesses to evolve and adapt to changing circumstances. This limitation will impede the growth and sustainability of ocean recreation businesses.

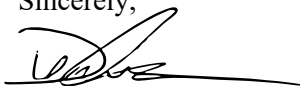
Suspension or Revocation without Clear Criteria: Granting DOBOR the authority to revoke or suspend permits based on vaguely defined criteria creates uncertainty and lacks transparency. DOBOR should not be able to terminate a business based on a hunch or a belief. Commercial permits come with certain due process rights that cannot be discarded so easily.

Elimination of Waitlist: Removing the current waitlist system eliminates a structured and fair process for aspiring operators to enter the industry. Many of those on the waitlist have been paying waitlist fees for years and often decades. Eliminating the waitlist at this time would disenfranchise a substantial number of local people.

In conclusion, I strongly urge this Committee to not pass HB2477 and instead ask that DOBOR meet with stakeholders to discuss a more balanced approach that considers the diverse needs of the ocean recreation industry, encourages fair competition, and supports the long-term sustainability of our community. The extreme measures proposed in HB2477 are not the answer.

Thank you for your attention to these concerns, and I appreciate your dedication to fair and thoughtful legislation.

Sincerely,



Denver S. Coon
President
OTC

HB-2477

Submitted on: 1/30/2024 5:47:47 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Janet Kutkowski	Anini Fishing Charters & Tours, LLC	Oppose	Written Testimony Only

Comments:

We oppose new legislative proposals to Commercial Boaters on Kauai

We have a charter boat operation at Anini Beach. We are long time permanent residents that live at Anini Beach and feel very lucky to have one of the two commercial boat permits for the Anini Beach Boat Ramp. We started operating boat charters in 1976. These new proposals hint at allowing the DBOR to add more permits to existing commercial areas without a public hearing or a new SMA permit. It would greatly impact the Anini Beach area having more than two charter companies. The boat ramp is next to the beach park and is used by everybody to access the beach. No more commercial boats should be allowed to operate, this is one of the only boat ramps to use on the North Shore for fishermen and recreational boaters. The proposal to charge us \$2000 a month to keep our permit is a hardship. Maintaining our boat and business is very costly, the DLNR collects from us \$300 per month or 3% monthly gross whichever is greater, that is a substantial amount during the summer months and to charge boats 6% or \$2000 whichever is greater would greatly impact our small business. As a business owner we should be allowed to sell our business with our negotiable legal permit. To only allow permit holders to transfer their permit to family members isn't feasible, what if a member of the family doesn't want the business? We are a country with free enterprise, if we have a good reputation and a successful business we should be allowed to sell the business with the permit.

Anini Beach should only have the current two commercial permits, and because we pay our fees and taxes we can continue to operate and be honored to offer the tourists a great adventure from the North Shore, local residents too!

Mahalo for your time, Janet Kutkowski

Lastly we oppose any unsealed public auctioning of new permits, as this promotes business entities without local knowledge or established safe business practices buying a commercial permit.

We respectfully request that you veto HB 2477.

Thank you,

Inca Robbin

Peter Wood

Sailing Maui Inc.

Kapalua Kai Sailing Inc.

Crystal Seahorse LTD.

808 669-0133

HB-2477

Submitted on: 1/30/2024 6:07:00 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Zachary LaPrade	Quicksilver Charters	Oppose	In Person

Comments:

Honorable Chair, Vice Chair, and Members of the Committees:

I am writing to urgently express my strong opposition to H.B. No. 2477, with specific concerns regarding the proposed changes to permit transferability, fee increases, and the potential negative impact of auctions on business investment.

1. Permit Transferability: Permit transferability is a cornerstone for the stability and growth of our industry, especially for small and family-owned businesses. The proposed restrictions on permit transferability, including the automatic termination provision, raise significant concerns about the ability of businesses to plan for the future, attract investors, and maintain continuity.

While recognizing the need for effective regulation, it is crucial to strike a balance that supports entrepreneurial endeavors and the economic contributions of the ocean recreation sector. I strongly urge the committee to reconsider the proposed changes to permit transferability and explore alternative solutions that ensure regulatory objectives without compromising the business prospects of operators.

2. Fee Increases - Adjustment from 3 to 6 Percent: The adjustment from 3 to 6 percent in the gross revenues derived from the permitted activity is particularly alarming. Doubling this percentage places an undue burden on operators already grappling with operational costs. This substantial increase could significantly impact the economic viability of businesses within the ocean recreation sector, potentially leading to decreased competitiveness and, in some cases, operational insolvency.

I strongly urge the committee to conduct a thorough assessment of the proposed 3 to 6 percent adjustment, considering the diverse landscape of businesses within the ocean recreation sector. Transparent guidelines, periodic reviews, and stakeholder consultations can help ensure that any fee adjustments are fair, reasonable, and do not compromise the economic viability of the industry.

3. Impact of Auctions on Business Investment: The proposal to issue new commercial use permits through auctions introduces a level of uncertainty that can deter businesses from making long-term investments. The prospect of losing a business through an auction mechanism may discourage entrepreneurs from making the necessary commitments to improve and expand their operations.

I urge the committee to carefully consider the psychological and financial impact that auctions may have on businesses within the ocean recreation sector. A more predictable and stable regulatory environment will encourage investment, innovation, and the long-term success of the industry.

I am available for immediate discussion and would appreciate the opportunity to present further insights during any upcoming hearings or meetings regarding this bill.

Thank you for your prompt attention to these critical concerns.

Sincerely,

Zachary LaPrade

HB-2477

Submitted on: 1/30/2024 6:09:19 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Wilson	Ocean Outfitters Hawaii	Oppose	In Person

Comments:

Subject: Testimony in Opposition to Bill SB2477 - Commercial Ocean Recreation Operations

Kevin Wilson

Owner/Operator

Ocean Outfitters Hawaii

kevwilson808@gmail.com; 808-864-4985

1/30/24

ATTN: Rep. Linda Ichiyama + Committee Representatives

Committee on Water & Land

State Capitol

415 South Beretania Street

Dear Representative Ichiyama and Members of the Committee,

I, Kevin Wilson, am writing this testimony on behalf Ocean Outfitters Hawaii Organization, in strong opposition to Bill SB2477, which pertains to Commercial Ocean Recreation Operations.

While we understand the need for regulatory frameworks to manage commercial ocean recreation operations, we firmly believe that the proposed changes in Bill SB2477 are not in the best interest of our organization and the industry as a whole. We would like to highlight our concerns with specific sections of the bill:

- **Unsealed Public Auctions for New Permits:** The provision allowing the Department of Land and Natural Resources to issue new ocean recreation commercial use permits through unsealed public auctions raises significant concerns. This approach may lead to a lack of transparency and fairness in the allocation of permits, potentially favoring those

with greater financial resources over those with a proven track record of responsible and sustainable operations as well as those who are local and committed to the community for over 50 years. Ocean Outfitters as a business contains many members that are born and raised in Haleiwa and have relied on our available resources for our livelihood.

- **Revised Provisions on Fees and Permits:** The proposed revisions to boating and ocean recreation fees and permits may place an undue burden on existing operators. Without clear guidelines on how fee structures are determined and how they contribute to the overall sustainability and protection of our oceans, these changes could negatively impact the economic viability of established businesses in the industry.
- **Commercial Use Permit Issuance Beyond Limits:** The specification on how commercial use permits may be issued when a permit limit has been exceeded lacks clarity. This may result in arbitrary decisions and inadequate consideration of the ecological and environmental impacts of exceeding established permit limits.

Ocean Outfitters Hawaii Organization is committed to responsible and sustainable practices in commercial ocean recreation as well as bringing awareness to our oceans and marine life that is important to Hawaii and our environment in general. We believe that any changes to the regulatory framework should prioritize environmental conservation, safety, and equitable opportunities for businesses of all sizes.

We kindly request the Committee to reconsider the implications of Bill SB2477 on the long-term health and sustainability of the commercial ocean recreation industry in Hawaii. We recommend engaging stakeholders in further discussions to develop a more comprehensive and balanced approach that addresses the concerns of all parties involved.

Thank you for your time and consideration. We are available to provide any additional information or answer questions you may have regarding our opposition to Bill SB2477.

Sincerely,

Kevin Wilson

Owner/Operator

Ocean Outfitters Hawaii Organization

808-864-4985

HB-2477

Submitted on: 1/30/2024 6:21:53 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Peter Wood	Hula Girl Sailing Charters	Oppose	Remotely Via Zoom

Comments:

Re: Opposition Testimony for Bill HB 2477

Aloha Chair Ichiyama and Vice Chair Poepoe and Committee Members,

We are writing to express our strong opposition to HB 2477. We have been providing charter boat service on the island of Maui since 1994. As owners of two commercial permits, we have invested our lives and all our financial resources into these operations. We maintain professional, safe vessels and abide by all the rules set by the Department of Land and Natural Resources – DBOR. We are hard working, tax paying, law abiding citizens, dedicated to sharing the beauty of the ocean with Maui’s visitors. We are life guards at every snorkel site, with CPR trained staff and AED/H2O life saving equipment onboard our vessels. We educate visitors how to protect the reefs, save the whales/turtles and fish, not to stand on the coral, to use reef safe sunscreen which is provided at no charge onboard. We are dedicated to protect the ocean, the Aina, and our Island.

The hardship we have endured since the Lahaina Fires is beyond expression, from lack of infrastructure, to exceeding increases in the cost of operations, no labor force due to no housing, inflation, to name just a few. To increase the 3% harbor fee any further would be another insurmountable hardship at this time. In addition, we respectfully ask how is the 3% harbor fee being used? Lahaina Harbor has burned and will be years before it is back to being a functioning harbor, Mala Wharf has fallen into a state of disrepair, and Kaanapali Beach where we operate from has zero facilities. Why is this called a harbor fee if it’s not be used to improve the harbor infrastructure?

In respect to the proposed prevention of commercial permits being transferred at the time of a change in legal ownership of a permitted business entity (except for spouses and first generation lineal descents), we strongly object to this because it is our opinion that a legal action could be brought against the government entity/State of Hawaii for the taking of private property without formal or proper exercise of eminent domain.

Lastly we oppose any unsealed public auctioning of new permits, as this promotes business entities without local knowledge or established safe business practices buying a commercial permit.

We respectfully request that you veto HB 2477.

Thank you,

Inca Robbin - Peter Wood

Hula Girl Sailing Charters

808 669-0133

HB-2477

Submitted on: 1/30/2024 6:25:40 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Virginia Armstrong	Splashers Ocean Adventures DBA Kona Snorkel Trips	Oppose	Written Testimony Only

Comments:

Urgent Opposition to H.B. No. 2477 - Relating to Commercial Ocean Recreation Operations

I am writing to express my strong opposition to several proposed amendments to the Commercial Use Permit regulations under the purview of the Department of Boating and Ocean Recreation (DOBOR). As a stakeholder in the maritime industry and a concerned citizen, I believe these proposed changes have the potential to detrimentally impact not only the commercial operators but also the broader community and the integrity of our coastal resources.

The proposed amendment to make 100% of Commercial Use Permits non-transferable, except within the confines of immediate family lineage, effectively restricts the entrepreneurial spirit and innovation that have been instrumental in driving the growth and diversity of our maritime sector. By disallowing internal transfers within companies, the proposed regulation undermines the flexibility needed for businesses to adapt to changing market dynamics and operational needs. Furthermore, this provision risks consolidating commercial permits within a few select families, thereby creating monopolistic tendencies that stifle competition and limit opportunities for new entrants. Lastly, it is an unfair distribution favoring those with familial heirs versus chosen heirs to one's estate.

Additionally, the proposal to auction off all commercial permits to the highest bidder after relinquishment to the department introduces a profit-driven mechanism that may prioritize financial gain over the equitable distribution of permits among qualified operators. This approach disregards the nuanced considerations necessary for fostering a vibrant and sustainable commercial maritime ecosystem, potentially favoring deep-pocketed entities at the expense of small and medium-sized businesses.

Furthermore, granting DOBOR unilateral authority to revoke or suspend commercial permits based on subjective determinations of potential risk poses significant concerns regarding transparency, accountability, and due process. While ensuring public safety is paramount, such discretionary powers must be accompanied by clear guidelines and avenues for appeal to prevent arbitrary actions that may disproportionately impact legitimate operators.

The proposed fee restructuring, including substantial increases in recreational mooring fees and commercial use fees, imposes undue financial burdens on permit holders without sufficient justification or consultation with affected stakeholders. Moreover, the introduction of new fees

for permit renewals and utility assessments further compounds the financial strain on businesses already grappling with economic uncertainties exacerbated by the ongoing challenges of the pandemic.

Equally troubling is the proposal to delegate to DOBOR the unchecked authority to determine the allocation of commercial permits without legislative oversight or community input. Such a departure from established governance mechanisms risks undermining the democratic principles of accountability and representation, potentially leading to ad hoc decisions that lack the requisite foresight and consensus-building necessary for effective policymaking.

Finally, the decision to eliminate the existing waitlist for permits disregards the legitimate expectations of individuals who have patiently awaited their turn in accordance with established protocols. Abruptly rescinding this process without providing alternative pathways for permit allocation undermines the trust and confidence of stakeholders in the fairness and integrity of the regulatory framework.

In conclusion, I urge you to reconsider these proposed amendments in consultation with all relevant stakeholders, including commercial operators, industry associations, environmental advocates, and the broader community. Meaningful engagement and collaboration are essential to crafting regulations that balance the imperatives of economic vitality, environmental sustainability, and public interest.

HB-2477

Submitted on: 1/30/2024 6:39:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John Burke	Skillet Sportfishing	Oppose	Written Testimony Only

Comments:

Hello, my name is John Burke. I own a very small charter fishing business in Kailua, Kona, Hi. I've been fishing my whole life and this is my livelihood for myself and my family. After reading this bill I strongly oppose it for many reasons. First of all it clearly looks like you're trying to fast track it. It needs to be based on an environmental and community assessment. It's looks like your trying to ask for everything and hope that we'll all come to some sort of compromise and agree to it. For example,how would you feel if somebody told you that as a business owner, what ever kind of business it is, that in the future you can't sell it ? I'm pretty sure that's not even legal. As an American that's our right. And then to double our taxes and fees it's like you want to see the small business fail so you can indiscriminately take back our permit and sell it to the highest bidder. Which by the way, who would buy it if there's no incentive? You start a business in this country to try and make as much money as you can and then when it's time to retire you have that option to sell it. You're taking that away from us by trying to pass this bill. I strongly oppose this bill in every way.

HB-2477

Submitted on: 1/30/2024 6:45:05 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
George F. Garnes III	Gemini Charters	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for HB2477

George F Garnes III, 142 Kupuohi St Unit F5, Lahaina, HI 96761 808-283-8043

To whom it may concern,

RE: HB 2477

I am writing to express my strong opposition to HB2477, which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As a sailing catamaran company, these proposed regulations would have a severe impact on our operations and completely jeopardize our ability to remain viable.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The boating industry on Maui is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

George F Garnes III, Vice President Gemini Charters

HB-2477

Submitted on: 1/30/2024 6:52:55 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keith Robinson II	Sea genie inc	Oppose	Written Testimony Only

Comments:

My name is Keith Robinson II i am a captain at honokohau. Im born and raised around fishing here in kona and having a commercial permit with value keeps me employed. HB2477 is a terrible idea that was created. This would destroy the entire community we have at honokohau harbor leaving only wealthy business owners that bid the highest at auction for a permit. This would likely cause a large loss of jobs to local ppl working thru these permits, being there would be no value in the permit that our employers payed good money for to accuire. The things that should be focused on are improving the harbors conditions not this bogus bill. Whoever wrote HB2477 is completely out of touch with the ppl. Parking lots in honokohau are dirt and half the harbor has no electricity, please make a bill to make progress on those topics. ,keith

I want to testify and stand up in strong opposition to House Bill HB2477. I am a small business owner here in Kona, Hawaii. I began my small charter boat business in 1990, over 35 years ago. I am a small business that relies solely on the charter boat fishing industry. This bill is singularly the most Un-American bill I have ever seen or read. Not only that, I -am sure most of it is unconstitutional as well.

Every commercial permit holder in Kona are united in our opposition to this bill. I have never seen such a strong united front to any proposed legislation.

HB2477 has the potential to shut down every small charter boat business in the state as this bill will deny us the opportunity to sell our corporations and transfer our commercial permits to the new ownership. I have spent 30 years building my business and now at the age of 80, I am relying upon the equity in my business to fully retire during the next few years. This proposed bill will eliminate much of the equity I have built up over the years as I would not be able to transfer my commercial permit to new owners of High Noon Charters, Inc.

HB2477 also denies us the right of selling or transferring any portion of our business to anyone. What? So, if I have partners, I am unable to sell them any portion of the business?

What this bill proposes, is to eliminate the ability of my business to keep all the equity we have built over the years by taking our permits upon sale of my business to a new owner and then auctioning off that same commercial permit to the highest bidder. This will eliminate the ability of small business like mine to survive and compete with the large corporations. This is exactly the opposite opposite of what I would think the State of Hawaii is trying to accomplish.

HB2477 would auction off the commercial permits to the highest bidder, and those high bidders would be the large corporations who make enormous profits with the multi passenger businesses. This will kill the charter fishing business since we can not compete with the larger multi-million dollar corporations.

Also, HB2477 proposes to more then triple our monthly commercial user fees to a minimum of \$2000 per month or 6% of our gross whichever is greater. Most small charter business will not be able to afford these fees! Again, only the big money companies will survive.

Please just read the bill! HB2477 is taking away much of the equity of thousands of small businesses throughout the state of Hawaii. It proposes to auction off to the highest bidder the commercial permits that would be surrendered through the taking of these commercial permits.

I have lived in Hawaii since 1975, have raised my children here and I am desperately relying upon the equity of my business for any retirement

Please contact me at highnoon4@aol.com or call me at 808-895-3868.

Sincerely, Capt Dee Bradford
High Noon Charters, Inc.

HB-2477

Submitted on: 1/30/2024 7:14:46 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tadashi Muratake	Na Pali Experience	Oppose	Written Testimony Only

Comments:

Aloha my name is Tadashi Muratake, I am from Kekaha Kauai representing Na Pali Experience boat tours, and I strongly oppose this Bill (HB2477)

Mahalo, and Aloha

HB-2477

Submitted on: 1/30/2024 7:20:42 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Boyd DeCoito	Kona Seafari Inc	Oppose	Written Testimony Only

Comments:

This bill feels like it is being slid in without any input from the states ocean industry and it's business. As written, it has ZERO positive benefit to anyone. I believe it should, at the very least be deferred, if not removed all together until something with more thought can be brought to the table. This is a killer blow to any commercial business in the states ocean industry, with a HUGE negative economic impact.



January 30, 2024

Committee Chair
State Capitol
Honolulu, HI. 96813

RE: Opposition Testimony for HB 2477

To Whom It May Concern:

I am writing to express my strong opposition to Bill Number 2477, which proposes that DLNR/DOBOR can issue new Ocean Recreation Management Area (ORMA) use permits by unsealed public auction.

This method raises significant concerns regarding equitable access and fair competition. An unsealed public auction could disproportionately favor larger businesses or those with greater financial resources, potentially sidelining smaller, local operators who form the backbone of our ocean recreation industry. This approach risks creating an uneven playing field, where only the highest bidders, rather than the most qualified or sustainable operators, gain access to these valuable permits.

Moreover, this method lacks transparency and may not align with the principles of fairness and inclusivity that are essential in public resource management. The allocation of ocean recreation permits should be based on a comprehensive evaluation of an applicant's ability to operate responsibly and sustainably, not merely on their financial bidding power.

I urge the committee to consider alternative methods of permit allocation that prioritize sustainable practices, local community involvement, and fair access for all operators, regardless of their size or financial capability.

Sail Maui, originally Paragon Sailing Charters Maui, has been in business since 1985 and I've worked for the company for 5 years, but I've worked within the Maui boating industry for 25 years. This bill would severely limit our company's ability to operate, provide jobs for our employees, Maui residents, pay a livable wage, positively impact our local economy, and provide our residents, friends, family and visitors with wonderful lifelong memories while snorkeling, sailing, and whale watching along the coastlines of Maui and Lana'i.

I understand the importance of effective ocean recreation management, and I appreciate the efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like the one I work for, which are unfairly targeted and constantly blamed for various issues.

P.O. Box 10399
Lahaina, HI 96761
www.SailMaui.com



PERFORMANCE SAILING
HAWAII, USA

The commercial boating industry is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

A handwritten signature in black ink that reads "CKinkade".

Carrie Kinkade
Director of Administration & Human Resources
Sail Maui
Carrie@SailMaui.com
c: 808-866-6210

P.O. Box 10399
Lahaina, HI 96761
www.SailMaui.com

HB-2477

Submitted on: 1/30/2024 7:44:46 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nick Loewenstine	Hawaii Adventure Diving	Oppose	Written Testimony Only

Comments:

Aloha,

I am strongly opposed to this bill as it is detrimental to small businesses and those who work for small businesses. I am quite taken back by the strength of this bill all negative aspects it will have on local businesses. I can without a doubt assure everyone that this bill will single handedly cause the closer of multiple businesses around the island.

Please for the sake of all small and local businesses put an end to this bill.

I appreciate your time, Mahalo

Nicholas Loewenstine

HB-2477

Submitted on: 1/30/2024 8:00:47 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christopher Kasper	Malolo Charters	Oppose	Written Testimony Only

Comments:

Aloha

I strongly oppose this bill. It will put undue financial stress on impacted businesses and their employees. It will not solve any commercial recreation issues.

Mahalo

HB-2477

Submitted on: 1/30/2024 8:06:07 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Kasper	Malolo Charters	Oppose	Written Testimony Only

Comments:

Aloha

I strongly oppose this bill. It will put undue financial stress on impacted businesses and their employees. It will not solve any commercial recreation issues.

Mahalo

HB-2477

Submitted on: 1/30/2024 8:08:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shawn Bessex	Makana Lani Fishing	Oppose	Written Testimony Only

Comments:

As a business owner , HB2477 has a enormous impact on my livelihood. I have been working in this industrty since 2008. I have worked very hard to have a business. It's concerning that my permit for operation can be lost . Also , the loss of many jobs .

HB-2477

Submitted on: 1/30/2024 8:16:39 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
RALLEN A CAYA	ALL HAWAII CRUISES	Oppose	Written Testimony Only

Comments:

How can we survive with 6% gross revenue. With hawaii having all time high insurance rates. Minimum wage going up every year. Most commercial water activities incudes boats which is a high maintenance cost. This will be putting a lot of small businesses out of buisness

HB-2477

Submitted on: 1/30/2024 8:34:34 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ty Widhalm	Kohala Divers	Oppose	Written Testimony Only

Comments:

Please accept the following testimony opposing bill HB2477.

I am the lead captain on a commercial operator: A small, family owned business of less than 22 employees, and in business since 1984. We have earned the first and only Internationally recognized PADI Green Fins Eco-Resort designation in the State of Hawaii and have a reputation for strict ecological care and education. This bill would have a disastrous effect on our business and our employees, and all other employers like ourselves.

A public auction of Commercial permits is a terrible idea, and a terrible precedent to set on how business is to be done in Hawaii. Auction of permits, and mooring spots, to the highest bidder will price small, local businesses, many, like us, who have been doing business successfully, all permits, fees and taxes paid, in an ecologically conscious way, for decades. Will we be able to afford a permit and a mooring next year? How do we budget for that? Will our permit be swooped up by a mainland or foreign business with deep pockets, no connection to the land or culture, no local employees?

If we do get lucky enough to find enough money to out-bid other small, local businesses (because this law proposes less permits that we all fight over), then this law allows the permit to be taken away from us, with no appeal process or even reason given, for any arbitrary feeling given by DLNR, to then turn around and auction it again to the highest mainland/foreign bag of money. This is tantamount to legally creating the biggest bribery scheme and power grab, with zero legislative oversight, to a department that has had problems with the Ethics board and corruption lawsuits in the past.

HB2477 has been very thoroughly written to control the number, cost, distribution, transfer, taxation and fees of commercial operations on the ocean. It has been written to shut the State and County Governments out of any oversight, regulation, or appeal of these one-sided rules. It has been written without any partnership with local businesses, law-makers, or cultural practitioners, a practice that goes against the DLNR's own stated Mission Statement.

This money grab is hidden behind supposed concern over eco-tourism and mis-use of resources. However it auctions businesses off to the highest bidder, without any study of past history of environmental impact. These highest bidders will be mainland or foreign companies and government interests with the deepest pockets: Which means commercial fisheries, aquarium trade, and the precedent to allow foreign fisheries and shark finners, huge cruise ship companies, and private yachts. These high-bidders are exactly the companies who lack sustainability and any respect for ecological or cultural preservation.

Finally, please stop this bill and its precedent that Hawaii and its people and resources can be auctioned off to the highest bidder. There is a pattern happening with moorings, permits, harbors, land, the Ala Wai canal, Hawaiian land and homes, and the burnt out homes of Lahaina. The Legislature mustn't give over its power and public mandate to a corrupt department or business that will auction the people and resources of Hawaii off to the highest bidder, who will leave us in ashes and run gleefully to the bank.

Please remember your responsibility to the people of Hawaii and oppose HB2477. We beg of you.

Testimony on behalf of Hawaiian Rafting Adventures Inc. on bill HB2477

Subject: Opposition Testimony for HB2477

Nichlas Sebastian Holm Hansen, 88 loa pl, Lahaina, Hawaii, 96761.

Nichlas@goscubadivemaui.com 8084464596

I am writing to express my strong opposition to HB2477 which proposes significant restrictions on transfer of ownership of the company.

We are a small family ocean recreation business that runs 2 boats out of state facilities and runs business from the shore. Prior to the fire we had 10 employees and took people scuba diving, whale watching, and in general enjoy and educate people on the preciousness of our oceans.

This bill would effectively make our business worthless and make it hard for us to ever think about investing into our business with the future in mind. This bill would never allow us to sell our business and therefore would not allow us to ever retire. It would devalue all of our equipment and boats as it is all tailored to a business we have built up and invested life savings in. This would make it hard to see a long future in the industry. As our equipment grows older it would be hard to reinvest into the company. Any investment in our company (which requires specialized equipment), including taking out a loan, would be a gamble for our family. What if one of us got sick and could no longer work? If the new equipment purchased outright or by loan was not paid for, what would we do? We would be standing in a position where we could not sell our business because it would be, in effect, worthless.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

I propose that we get an independent surveyor to conduct surveys and get to the bottom of these issues and find solutions that can help resolve issues without putting people out of business.

The commercial ocean recreation industry is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Nichlas Holm

Vice President

Hawaiian Rafting Adventures Inc.

HB-2477

Submitted on: 1/30/2024 8:36:37 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nick Croft	Explore Kauai Scuba, LLC	Oppose	In Person

Comments:

Aloha Chair, Vice Chair, and Committee members,

My name is Nick Croft, and my wife and I are owners of Explore Kauai Scuba. I heavily oppose HB2477. This bill has so many horrible scary things about it, it's hard to know where to start. I think a good place to start is actually how DLNR will just take my permit and re-auction it off to the highest bidder, leaving me with nothing. I will lose my business that I have worked so hard for over the years. Every penny I had went into starting this business. I will lose everything, not only my business, but EVERYTHING. I will lose my house, where do I go? How do I pay off my huge loans? Will DLNR compensate me? I've been such a hard working, tax paying, rule following citizen and this is what I get served with? How can something so harsh be an option?

Because I am owner/operator, I had to shut my business down AGAIN to be here today to give testimony and spend the money to fly over here from Kauai. Besides the cost of all of this, it's adding high levels of anxiety and stress to my health. I am having a hard time handling this, it feels like a nightmare on steroids. Why does DLNR want to hurt hard working people?

Explore Kauai Scuba is a small business to the definition. My wife and I only have one boat and run only max six people per day. We are educators of the ocean. Not only do we educate but we give back by having reef cleanups, ghost net or debris removals. We'll also donate our time and use of the boat for whale entanglement rescues. Without this business I could not afford to do these things for our ocean. Once again, I ask why is DLNR trying to hurt me with all that I give back. It's not just me, it's hundreds of local people this will affect. We strive to keep our company expenses local, so the ripples in the pond go quite far. Companies not even a part of the boating scene will be affected.

Another horrible part is not being able to sell my business with the permit, which leaves me without a business to sell. I built this company from the ground up. I do not come from money, I was raised as a hard worker. When I did the permit transfer into my name I had to pay \$5,000 just to sign my name on it. Others have had to pay up to \$25,000 or more. What DLNR is doing seems out right criminal to me, why are they doing this? Why aren't we working together instead of trying to guillotine small businesses that have put their lives hard work into these dreams.

I beg you, from the bottom of my heart, please do not let this bill ruin my life and lives of many other locals.

Mahalo for your attention to this matter.

Sincerely,

Nick Croft

owner/operator, Explore Kauai Scuba, LLC

HB-2477

Submitted on: 1/30/2024 8:41:20 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Eric McCormick	The Kona Boat Club Inc.	Oppose	In Person

Comments:

I am opposing H.B. 2477 for several reasons:

I have been a small business owner in Hawaii for over 40 years and have held 5 commercial boating permits at Honokohau Small Boat harbor on the Big Island for the last 23 years. Having been involved in HAR rule making and the ammendment processes previously, this is by far the most blatant example of an unsubstantiated, subjective and discriminatory bill proposal I have ever seen.

* The statement that commercial activity has created an over-commercialization in many areas around the state to the detriment of ocean users and marine natural resources creating conflict between recreational users and commercial operators (lines 11-14) is all encompassing and not substantiated. One might suggest a need for an EIS to substantiate areas, but clearly not referenced with data or support. VERY SUBJECTIVE

In fact, the population and tourist growth has led to a need for increased activities to support the growing tourism, population growth and growing economy.

* In or around 2010 DOBOR-DLNR created and released an additional 18 commercial permits at Honokou harbor because of DOBOR administrative failure. This was in excess of the limit established at the time of 35 permits. Hence there are currently 53 commercial ramp permits operating out of this fascility.

* This bill states that commercial ramps operating in excess of the stated permits allowed on record, ALL permittees be required to relinquish their permits to the DLNR, and then bid for them on an open market forum. This suggests that the companiewes who grew organically over years of permit fees , relinquish their equity in the business they built. One might think that the 18 additional permits issued by the DLNR would be in question. Our company has invested over \$330,000 in permit fees and to be told we have to relinquish this interest is discriminatory and arbitrary.

*The proposed increase in permit fees from \$300 per permit per month or a minimum of 3% gross to \$2000 per month plus a per head count or 6% of gross is discriminatory on small businesses, the proposal being unsubstantiated by budget or data. This would require our long term local business to close immediately as a charge of \$10,000 per month is not feasible. Clearly a progressive fee based on boat size and PAX would make better sence. Most commercial small boat permittees who operate a 6 pax will not be able to absorb this cost. They

will have to reduce their staff and/or lower their expenditures and/or increase tariffs. Not good boat operating alternatives.

In Conclusion: Unsubstantiated Justification, Discriminatory, Subjective, excessive and anti-business. We daily see un-permitted boat charters operating off the commercial ramps with no enforcement. Through increased enforcement DOBOR-DOCARE could increase revenues with justification and limit the unsafe, uninsured liabilities the state could incur.

Thank you

HB-2477

Submitted on: 1/30/2024 9:14:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keahi Ho	GungHo Sailing	Oppose	Written Testimony Only

Comments:

As a recreational sailor, I waited 20 years on the DLNR waitlist to acquire my commercial use permit. I oppose HB 2477, because middle class people like me (I am a firefighter out of Lahaina) who have a great passion for ocean operations, would never be able to acquire a commercial use permit with this new bill. It favors the wealthy people or corporations with deep pockets, rather than a hardworking long term residents who are willing to wait for such an opportunity. I do not understand the latter part of this bill, "Specifies how commercial use permits may be issued where a permit limit has been exceeded." I would love an explanation.

HB-2477

Submitted on: 1/30/2024 9:37:59 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Seth Conae	Manta Ray Dives of Hawaii	Oppose	Written Testimony Only

Comments:

Aloha, I oppose this bill. 3% to 6% of gross revenue plus \$1 to \$3 per guest. If you do the math business will have negative Net Profit. It should be illegal to even be able to take a gross % of a business. Also we wouldn't be able to sell or let alone give our companies away to anyone who is not in our blood line. Unreal to say the least. I demand to know who is responsible for these ideas!

Mahalo for your time

Seth Conae

HB-2477

Submitted on: 1/30/2024 10:26:01 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Don Prestage	Sail Maui	Oppose	In Person

Comments:

This method raises significant concerns regarding equitable access and fair competition.

An unsealed public auction could disproportionately favor larger businesses or those with greater financial resources, potentially sidelining smaller, local operators who form the backbone of our ocean recreation industry. This approach risks creating an uneven playing field, where only the highest bidders, rather than the most qualified or sustainable operators, gain access to these valuable permits.

Moreover, this method lacks transparency and may not align with the principles of fairness and inclusivity that are essential in public resource management. The allocation of ocean recreation permits should be based on a comprehensive evaluation of an applicant's ability to operate responsibly and sustainably, not merely on their financial bidding power.

I urge the committee to consider alternative methods of permit allocation that prioritize sustainable practices, local community involvement, and fair access for all operators, regardless of their size or financial capability.



Testimony Before the House Committee on Water & Land
Tuesday, February 1st, 9:00 a.m. HST
Conference Room 430 & Via Video Conference
State Capitol, 415 South Beretania Street, Honolulu, HI 96813

RE: Opposition to Bill HB2477

To the Honorable Chair Linda Ichiyama, Vice Chair Mahina Poepoe, and Members of the Committee:

I am writing on behalf of [Your Organization], to express our strong opposition to HB2477. This bill, part of a suite of legislation including HB2476, HB2474, HB2475, and HB2093, represents an aggressive move that threatens to significantly harm Hawaii's commercial boating industry and, by extension, the broader tourism sector upon which our state heavily relies.

HB2477 proposes to issue new ocean recreation commercial use permits through an unsealed public auction and revises fees and permit provisions in a manner that could drastically alter the landscape of our cherished boating community. Such a move risks pricing out smaller, local operators in favor of larger entities, potentially leading to a homogenization of the services available to both residents and visitors. The diversity of experiences offered by our current mix of operators is one of Hawaii's unique strengths, contributing to a vibrant tourism economy that respects and incorporates the fabric of our local culture and communities.

Moreover, the implementation of a public auction system for permits raises significant concerns about accessibility and fairness. The proposed changes could create an environment where only the financially strongest can survive, undermining the principles of equal opportunity and competition that are essential for a healthy market. This shift could result in a loss of jobs, a decrease in the quality of tourist experiences, and a blow to the economic well-being of local families who have built their livelihoods around the boating industry.

The broader economic implications of HB2477 cannot be ignored. At a time when Hawaii continues to face challenges in establishing itself as a business-friendly destination, measures that impose additional burdens and uncertainties on local enterprises send the wrong message to potential investors and entrepreneurs. The Kauai Chamber of Commerce, along with other business advocacy groups, has long championed policies that support economic growth, job creation, and the sustainable use of our natural resources. HB2477, however, stands in stark contrast to these goals, potentially exacerbating Hawaii's reputation as a difficult place to do business.

In light of these considerations, I urge you to oppose HB2477 and to seek alternative approaches that balance the need for regulatory oversight with the imperative to support and nurture the commercial boating industry. Our state's economic health, the preservation of diverse tourism offerings, and the livelihoods of countless Hawaii residents depend on a regulatory framework that is fair, transparent, and conducive to growth.

Thank you for your attention to this matter. I am confident that through thoughtful dialogue and collaboration, we can find solutions that safeguard our natural resources while fostering a thriving economy that benefits all citizens of Hawaii.

Sincerely,

Mark Perriello
President & CEO

HB-2477

Submitted on: 1/30/2024 10:40:07 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kieran Oliver	Liquid Hawaii	Oppose	Written Testimony Only

Comments:

This is not the correct system that should be implemented to distribute these permits.

HB-2477

Submitted on: 1/31/2024 1:28:37 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Micah Miles	Blue Water Maui LLC	Oppose	Written Testimony Only

Comments:

HB2477

Aloha,

Lahaina survivor and multiple business owner here.

I implore you to please vote "NO", on this ridiculous and over reaching bill. We employe as many as 22 individuals, many with families, some Hawaiians and all people who deserve to make a living. Every portion of this bill reeks of strong-arming one of the largest groups of GET and Harbor Tax payers.

This bill will create an overall less safe fleet of commercial charter vessels across the state. When permit holders have no assurance of longevity or the ability to sell their business, they will not invest the necessary capital needed for new and upgraded vessels. This bill will encourage charter operators to run their vessels and equipment as long as possible with the lowest capital investment possible.

We have invested MILLIONS of dollars into our tour boat businesses in order to offer safe and environmentally friendly customer experiences. You can't just put up an auction for a CUP and expect that any random person has the proper abilities to attain the proper vessel, run and manage a business and attain the proper insurance, meet ever increasing USCG requirements, have the proper business experience and safety record and then the fortitude to deal with an industry where the State is always working against you. This shows that all you really care about are the money and fees. You seem to forget that you work for, and are supposed to represent citizens, like me and our entire employment team of citizens, not the other way around.

In regards to the corporate structure limitations of selling interests in your business, you, the State of Hawaii, CAN NOT tell me how to structure my business and who I can, or can not sell it too. I know, this fact is often forgotten here, but you ARE a STATE of the United States of

America and you are required to follow the U.S. Constitution. Maybe the bill was written this way just to appease the small vocal groups to make it look like "you're trying", while knowing this will never make it through the inevitable lawsuits and legal proceedings and more than likely another Governor veto, but this bill, if passed will be in the courts quickly.

It appears this bill has been hastily written and without any due diligence, third party research of factual data or and understanding of the bills ramifications. It appears that the DLNR or State of Hawaii has not performed a proper commercial boating survey since 2003, since it contracted Michael Markrich to perform one. You don't have any idea of the real impacted numbers involved beyond how many permits you manage and how much tax we pay! Much of this bill is subjective and will lead to legal proceedings, loss of jobs and significant safety reductions.

Giving DLNR gestapo powers to eliminate permits would jeopardize ALL commercial operators. Why would I take on multimillion dollar loan to rebuild my business, when you can just randomly take my permits away? It seems as if DLNR has lost it's way, the tail is wagging the dog. You seem to have forgotten that ALL CUP holders live and work in Hawaii, employee people who live in Hawaii, spend money and pay taxes in Hawaii! We are at least a \$300 million dollar industry and employee thousands of people that serve the ONLY self sustaining economy that there is...tourism. That's not going to change, do any of you remember 2008's economy here? We already have a mass workforce exodus from Maui and the State in general. Now, it's as if you're actually trying to force residents away by jeopardizing their jobs and businesses. It's difficult enough to build and operate a successful business here and that's before our governments attempts to make it even harder.

Our companies have invested MILLIONS of dollars into our tour boat businesses in order to offer safe and environmentally friendly customer experiences. You can't just put up an auction for a CUP and expect that any random person has the proper abilities or experience to attain run and manage a business and attain the proper insurance, meet ever increasing USCG requirements, have the proper business experience and safety record and then the fortitude to deal with an industry where the State is always working against you. This shows that all you really care about are the money and fees. You seem to forget that you work for, and are supposed to represent citizens, like me and our entire team, not the other way around.

Imagine how it's going to reflect on you when a "Auction Winner" for a parasail permit kills a couple of people due to lack of experience, or poorly maintained equipment, etc...etc.. "But he was the highest bidder!" Or, when whale strikes increase, or snorkelers start getting propped. Or when more operators end up on the reef. Unsurety of continued business operations will eliminate all investment into the business by it's owners, thereby lowering safety and lowering wages. Not sure if you're aware of how a businesses work, many of you should try it sometime, but our fixed costs do not change, such as insurance, taxes, fees, etc.. So, our variable costs are labor, vessels, gear, etc.. Without a reasonable expectation of a return on investment, there will BE NO INVESTMENT MADE into the businesses variable expenses. Thereby mitigating most vessels to barely operating pieces of junk run by the cheapest labor one can find. Keep in mind the USCG does NOT inspect 6 passenger vessels. You might want to look

into 3rd World countries and see how this works out for them. They record, on a global average, about one tour boat catastrophe every quarter. I'm proud of our beautiful and well maintained vessels and am planning on re-building our business with brand new vessels, purchased locally, costing us millions of dollars, but if this bill passes, that won't be feasible. How could I justify a multi-million dollar loan, over multi-years, when I don't even know if I'll even have a business next year?

What we really need is a supportive government partner to help jointly solve problems, not a power hungry entity that creates more problems and uncertainty based upon "feelings" and no data. This department's chair and heads serious lack of leadership qualities, capabilities and real world experience is overtly apparent. Is there anyone up there that has a USCG Master's MMC (Captain's License)? Is there anyone up there that has ever known the struggles of making payroll? Is there anyone there that has ever successfully built a business well enough that your offspring might be able to operate it and make a living for their family? There's a reason that more than 20% of all businesses fail in their first year and 50% never make it to see 5 years (U.S. Bureau of Labor Statistics)..... not everybody can do it.

The bureaucratic chair and heads just bend to the loudest group of complainers without really having or analyzing any facts. That is not leadership and that will create chaos in one of the largest industries in the State of Hawaii.

Mahalo for your time.

January 30, 2024

Aloha my name is Lisa Hatzenbuhler, owner/operator of South Pacific Ocean Tours, Inc. In the Haleiwa Small Boat Harbor. I am strongly opposed to bill HB2477. We are a family owned business for over 35 years. This bill is totally against all of our small businesses in the harbor. Passing of this bill would be very detrimental to my family who are already struggling because of the economy and being shut down during COVID for over a year. If those fees were raised to \$2,000 a month on top of what we already pay the DOBOR, my family would not survive this! We would lose our business, home and be applying for every aid from the State as possible. We would be living in the harbor instead of working out of the harbor. The DOBOR issued all the permits and now they are saying oops we are over commercialized. I think they should be punished, not the business owners! They should just put a cap on it going forward.

All of us have worked long and hard to build our businesses and to just have it taken away is inconceivable! The system is corrupt and broken and this is not the way to solve it. We all have activities that customers want to participate in and we love and respect the ocean. I do not see any conflict between recreational and commercial operators. We cater to locals and tourists alike.

A lot of us commercial operators are just getting by with all the struggles in the economy so raising any fees will just be devastating to us, including the raising the gross receipts to 6% instead of the 3% we pay now.

We are asking for you to kill to this bill and all the others relating to this.

Mahalo Lisa Hatzenbuhler



COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair

Rep. Mahina Poepoe, Vice Chair

DATE: Thursday, February 1, 2024

TIME: 9:00 AM

RE: HB2477 Strongly Oppose

Aloha Chair Ichiyama and Vice Chair Poepoe and committee members,

My name is Antoinette Davis, and it has been my honor to represent the Activities and Attractions Association of Hawaii (A3H), a not-for-profit 501c6 trade organization, since 1997 (27 years) as their Executive Director. A3H appreciates the opportunity to provide testimony strongly opposing HB2477.

First, the basis for the Bill is unfounded, as the number of permits for most of Hawaii's facilities has remained constant for several decades, capped by lack of infrastructure and facilities. To my knowledge, the only increase has been shoreline permits, which the state recently issued. What are the answers to these questions:

- Compared to 20 years ago, how many more permits exist today by island, location, and activity venue?
- How many facilities have too many permits? Which ones and how many? Why?
- What data supports areas of the state that are over-commercialized to the detriment of ocean users and marine natural resources?

Despite additional shoreline permits, the increase is likely less than a 1% change of active permits issued in the last 20 years. There may be a decrease in active permits since the destruction of Lahaina harbor, although several of these were recreational slips.

There has been an undercurrent of anti-tourism by a small vocal group, often confused with the housing crisis our islands are experiencing. These are two distinct and different challenges. We all agree on the housing crisis and support additional affordable housing for residents.



In the late 1990s, commercial boating fought successfully for a reasonable expectation of renewal and the ability to transfer permits. The transfer fees paid to DoBOR range from \$ 5,000 for a six-passenger (non-bareboat) vessel to \$75,000 for a 100-149 vessel. Selling your business along with a commercial permit is a substantial cost.

The Fifth Amendment of the US Constitution places strict limits on the government's ability to take a person's property. Permits are not company assets - they are a privilege with a reasonable expectation of renewal so long as the permittee conducts themselves within the department's rules and regulations. The company is worthless without a permit. Inverse Condemnation, commonly referred to as "eminent domain," requires four elements to be proven:

- (1) The plaintiff has a financial or monetary interest in the property
- (2) The property was taken, or was damaged, by the government or its agent
- (3) The project for which the property was taken was planned, approved, or participated in by a government agency
- (4) The taking of the property, or damage to it, was substantially caused by the government's activity

If Hawaii's Government revokes these privileges due to a situation they "created," I'm not an attorney, but the four elements to support **Inverse Condemnation confirm**.

Raising fees or putting commercial permits to public auction will not miraculously create a functional, financially sound DLNR. There are systemic issues evident in their actions.

They are significantly understaffed. Work from a hierarchy that should change to model that of Hanauma Bay – protect the resource first and foremost, allow commercial activity so that the facility is financially sound, and allow public only when unguided visitors cause no threat to themselves, others, or the place. In a recent debacle, for example, \$3M+ was allocated but not spent to improve Lahaina Harbor. It burned. These same dollars are going for the same improvements. That's like saving to remodel your house, and it burns down before remodeling. Would you use the remodeling money to rebuild your home instead of letting the insurance cover it and doing other more important tasks like paying DAR to test Lahaina offshore waters? Or how about the trailer at Mala Wharf to monitor the ramp? It's by the bathrooms, taking up parking spots and unoccupied, a short walk to the launch ramp. The initially dignified, peaceful, respectful protector/protestors, "Fishing for Housing" on Ka'anapali Beach, have transitioned to "All Out of Aloha" bullies to beachgoers and commercial operators. There is trash, money sale transactions, drinking, and fires on the beach; many rules have been broken without enforcement for several months.



Please Defer this Bill. It penalizes the businesses that have been respecting authority while being stewards of this place. Please think these changes through and their consequences to the state and the community.

Tourism is the most lucrative and potentially protective economic engine. It is a gift to any community, provided it is managed well. Residents will continue to dislike the industry until the following are addressed:

- Vacationer visits are managed
- "Monies made" stop exiting our economy
- "Monies made" are proportionally reinvested in the place and people to enhance and protect our natural resources and community (education & health care).
- Tourism jobs "Host" instead of "Serve."
- Tourism careers provide excellent compensation & benefits.

The first two bullet points are at the core of A3H: our members are legal companies, tax-paying, insured, licensed, permitted, managed, resident-owned and operated, vested in the community, follow rules, and protect natural resources.

The root problems that need addressing with DLNR:

- Enforcement to eliminate illegal activities and commercial activities.
- Make each natural resource a closed financial system. Money paid for using a ramp or small boat harbor should cover the operation, maintenance, and improvement costs.
- Collaborate with legal commercial operators that use the facility to maintain it. Meet regularly and work together! Have them pay more if the facility is not up to standard, and allow them to invest in it.

Thank you for the opportunity to testify,

Antoinette "Toni" Davis
Executive Director
Activities & Attractions Association of Hawaii, Inc.

HB-2477

Submitted on: 1/31/2024 4:19:21 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tyler Haines	South Pacific Ocean Tours, Inc	Oppose	Written Testimony Only

Comments:

My name is Tyler Haines and I am part owner in South Pacific Ocean Tours, Inc. My family has had our business for over 35 years. I strongly oppose this bill as it is an unfair and an unjustified action trying to be forced upon small businesses in the boat harbors. The DLNR just wants to throw away our businesses that have been built up to support our families and livelihood for their own greed and power play. They want to pit us against each other for a bidding war on our own business. Everything about this bill is wrong, including the raising of fees to \$2,000 plus 6% of our gross income. A lot of us are just struggling to survive with all the fees we already pay and a failing economy. We also take care of a lot of our own repairs to our spaces in the harbor, so increases make no sense. I urge you to please kill this bill and all others that are related. Mahalo Tyler Haines

Statement of Testimony – Opposing HB2477

30 January, 2024

Testimony of Paul Exner, President of Modern Geographic Sailing, Regarding Bill HB2477.

LEGAL IDENTITIY & DESCRIPTION:

Modern Geographic Sailing is a seafarer education organization, the DBA of Honu Sail Charters Inc., the PERMITTEE of two Department of Land and Natural Resources Permits:

* Mooring Permit No. 20-234541

* Vessel Moored Elsewhere Permit No. 20-238578 (SBH Kailua-Pier, Kailua-Kona).

There is one sailboat vessel on the permit: Solstice, USCG Documented: 1131107.

The Activity of Modern Geographic Sailing includes blue-water mariner instruction; professional and educational activities essential to maritime critical infrastructure.

ALOHA:

To the House of Representatives Committee on Water and Land, Public Hearing: Thursday, February 1, 2024 @ 9am HST.

With respect and consideration for hearing my testimony, thank you for this opportunity; respectfully, Paul Exner.

TESTIMONIAL POSITION:

Paul Exner is opposed to H.B. NO. 2477, A Bill For An Act Relating To Commercial Ocean Recreation Operations.

FACTUAL ARGUMENTS:

The ocean resources of the State of Hawaii are arguably the most pristine and responsibly managed waters on Earth where citizens, specialists, and vacationers alike enjoy the privilege to access the ocean as governed by Hawaii's existing ocean regulation and permit structure.

Hawaii's existing permit structure administered by the Department of Land and Natural Resources has undoubtedly established present-day cultural guidance on how people coexist with each other in the ocean, and with marine plants and animals, and had guided the demands we put on the chemical-balance of the ocean itself — the human usage of the ocean spans both commercial and household usage including: swimming, fishing, paddling, surfing, diving, sailing, SUP, thrill-craft, and boating (in general).

The current permit structure we have today has firmly established an ocean community and industry that's as organized as it's tightly controlled through legal checks and accounting balances. The industrial organization of marine business in Hawaii is the modern day result of the DLNR's existing permit structure which now constitutes an enormous collective of ocean practitioners state-wide run by professional workers who earn 100% of their livelihoods via reasonable access to Hawaii's ocean resource; and still, Hawaii's oceans are arguably the most pristine and responsibly managed waters on Earth.

FACTS AND DATA:

The heart of the U.S. maritime industry, to which Hawaii contributes significantly, is the Credentialed Merchant Mariner who plays the most vital role to generate \$5.4 trillion in economic activity annually, according to the U.S. Government Accountability Office, GAO-23-106629, July 26, 2023. Without a Merchant Mariner, a commercial vessel cannot be operated whatsoever.

Commercial vessels can only be operated by Merchant Mariners who must be licensed through certified testing; they are also: finger-printed, FBI vetted, healthy, intelligent, responsible, and 100% drug-free: no marijuana, no CBD, no dangerous drugs of any kind; and, zero alcohol while operating a vessel — not to mention their life-long practical experience that mariners need to do their work, while also remaining competitive in a challenging job market.

Every Commercial Permit issued by Hawaii's DLNR-BOR to a PERMITTEE requires a Captain Of Record who must hold a valid Merchant Mariner Credential as issued by the U.S. Department of Homeland Security, National Maritime Center, United States Coast Guard. Mariners also possess a Transportation Worker Identification Credential with biometric identification.

Hawaii's DLNR-BOR Commercial Permits legally bind the permit to the licensed workforce at the heart of United States Maritime Critical Infrastructure (some 95,000 miles of U.S. coastline and 3.4 million square miles of territorial seas; connecting the U.S. maritime domain by over 1,000 harbors and ports, according to Maritime Critical Infrastructure Protection: Multi-Agency Command and Control in an Asymmetric Environment, Aug, 2005). Note: Hawaiian coastline geography includes harbors of State jurisdiction, Private entity, and Ports under the jurisdiction of the U.S. Department of Transportation: Honolulu, Kalaheo Barbers Point, Kewalo Basin, Kahului, Kaunakakai, Kaunapali, Hilo, Kawaihae, Nawiliwili, and Port Allen. The US Maritime Critical Infrastructure is essential to maintaining uninterrupted flow of commerce, critical to both National Security and economic vitality.

All Merchant Mariners, no matter the type of vessel they operate (including recreational use by a Merchant Mariner), are afforded unique dispensations as defined within the Maritime Critical Infrastructure, Marine Safety Information Bulletin, MSIB Number: 11-20, March 27, 2020; for example:

- * Merchant Mariners can support national defense efforts by joining the U.S. military in times of national emergency or war; they must hold valid Mariner credentials to do so, the same credentials legally required to hold a DLNR-BOR Commercial Permit.
- * As vessel owners, Merchant Mariners can provide their vessels in times of national emergency or war; the vessel is legally tied to DLNR-BOR Commercial Permits.
- * Vessel Operators are Critical Infrastructure Workers.
- * Marine Consultants, which includes many Merchant Mariners and a majority of Commercial Permit holders simply because of the nature of work maintaining commercial vessels, are in effect consultants or at least integral to the marine consulting process.
- * Marine technical representatives and contractors are often Merchant Mariners and Critical Infrastructure Workers.
- * ALL of the above are either PERMITTEES of DLNR-BOR Commercial Permits, or Critical Infrastructure Workers employed by businesses holding Commercial Permits.

In effect, by the very requirement that DLNR-BOR Commercial Permits require a Credentialed Merchant Mariner of Record and vessel ownership as precursors to issuance, the entire DLNR-BOR Commercial Permitting Process is dependent on the Maritime Critical Infrastructure of which its workers receive federal protection and are essential to National Security and economic vitality; and, through the annual course of reissuing Permits consistently with this requirement, a mutually dependent relationship has been nurtured between the State of Hawaii and PERMITTEES who together have forged a sophisticated industry to offer employment, externality benefits, and tax

revenue through General Excise and Harbor Fees; therefore, there is no legal latitude leading to any justification to change the Commercial Permitting process as put forth in HB2477.

DEMONSTRATION OF POSITION:

I, Paul Exner, in 2018 invested financially in good faith (my life savings) in belief of Hawaii's permit structure to purchase a Hawaiian Corporation with holding of Ocean Commercial Permits (cited above), and I followed the legal permitting process in every manner and detail with the legally supported expectation that I acquired my permits believing that transferability of the permits is a standard part of a stable process. I believe, and have invested, in the stability of Hawaii.

I established my commercial ocean business using those permits and have successfully operated my business for 5.6 years to date. I opened the business to legally do what I do best in an ocean realm: teach ocean sailing to seafarers in Hawaii. I did not purchase the permits as a financial investment, rather I paid money for the permits so I could legally operate. I pride myself as being a law-abiding and productive member of the Hawaiian community.

I have no intention to transfer the permits by selling them in the near future, and I intend to operate my business for many years to come; however, if I were to lose my life-savings investment that I used to acquire my commercial permits because either: 1) my permit was taken away from me, or 2) the permits became non-transferrable due to a change in the legal structure of Commercial Permits, I will lose a significant amount of money through a change that led to a disincentivized permitting paradigm which is contrary to supporting the essential nature of Maritime Critical Infrastructure; in fact, if my permits were taken away, or I could not resell them to recoup my investment because of HB2477 I would argue that my rights as a Merchant Mariner and Transportation Working in support of critical infrastructure were violated.

Most detrimental to my efforts as a person with aim to be gainfully employed while performing my life's work on the ocean, while also being the primary provider for a family of four with two children attending school on Big Island... IF I could not work because my permits were taken away, I would suffer extreme hardship for many reasons. First off, the actions that followed a revoked permit would create a large logistical problem for the vessel involved, where will it go when there's no permitted place to dock it? That boat would no longer be viable as an asset because it's unsustainable to own an inoperable commercial vessel, so the boat and business must be liquidated, and it takes time and money to liquidate, and frankly I do not have excess capital to float a business liquidation, and I wouldn't have any work on the other side of that decision either. There is a strong likelihood that I would not receive market value on the vessel if I had to sell it under duress because my permits were not reissued. I would lose my investment in permits, and forego considerable investments in vessel, all while being unemployed. Maybe I would be forced under duress to sail my vessel out of Hawaiian waters thousands of miles away to reestablish the business elsewhere, and what's the likelihood that the time of year for safe voyage would coincide with revoked permits? What if the boat had to remain in the slip because I couldn't move it due to stress following the decision to not renew the permit, would the vessel be seized? Would the scenario extend to seizing multiple boats from multiple businesses who didn't get their permit reissued? How would it be for a Merchant Mariner to lose their permit, lose their job, lose their boat and assets, while simultaneously trying to support a family who may cast shame and pressure due to stress because they were out of options? The community under such a scenario if permits were taken away would undoubtedly question the reasoning behind the course of actions and likely have strong opinions that they were treated unfairly. Severe hardship would follow, and the reason behind the legal decision would be questioned while they're forced into financial hardship. I cannot foresee ANY legal justification for the actions that would likely follow the passing of HB2477 to explain how a managed permitting system as we have now could do such damage to good people who simply followed the rules and invested in the future of themselves and a community in good faith.

I will add that while operating my vessel today on the ocean waters of Hawaii, I am always the ONLY vessel I ever see operating on the ocean, unless I'm near Kailua-Kona or Hilo. There is absolutely NO overcrowding of the ocean resource here in Hawaii in my opinion. As waterways are concerned, the boating around Hawaii is the absolute least congested waterway I have ever seen and I've sailed in many other places around the world. Overuse of the ocean in Hawaii, or the over-issuance of Commercial Permits is not a problem and appears to be an over-exaggeration from a utopian perspective that has no place in modern Hawaii where the resources are already being managed excellently.

CONCLUSION:

In consideration of the factual requirement that DLNR-BOR Commercial Permits require a Credentialed Merchant Mariner of Record and vessel ownership as precursors to permit issuance, the entire DLNR-BOR Commercial Permitting Process is dependent on the Maritime Critical Infrastructure which is protected federally and essential to National Security and economic vitality; and, through the annual course of reissuing Permits consistently with this requirement, a mutually dependent relationship has been nurtured between the State of Hawaii and PERMITTEES who together have forged a sophisticated industry to offer employment, externality benefits, and tax revenue through General Excise and Harbor Fees; therefore, there is no legal latitude leading to any justification to change the Commercial Permitting process as put forth in HB2477.

I cannot foresee ANY legal justification for the actions that would follow the passing of HB2477 to explain how Hawaii's currently managed permitting system could be changed to result in severe financial damage to good people (current PERMITTEES) who have simply followed the rules for many years while investing in their future and investing emotionally and financially in Hawaii.

HB2477 is a Bill without justification and will lead to severe hardship for many good people, including Merchant Mariners who are essential to Maritime Critical Infrastructure.

MAHALO:

Mahalo for taking time to read my testimony; please, do not proceed with HB2477.

Fair winds,
Paul Exner

HB-2477

Submitted on: 1/31/2024 6:16:48 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan hopper	North shore sportfishing	Oppose	In Person

Comments:

I oppse this bill as it would have devastating results towards myself and the business that I've spent my life building. I've invested every bit of funds and time to build a fishing charter business here in Haleiwa that entertains visitors and residents providing a safe successful environment that they may pursue their dreams of catching trophy fish that we responsibly contribute to the community. If we were to have our permit revoked it would end everything I have created. If I am not allowed to transfer my permit through a sale then what have I spent my life building.

I feel that this bill is unjust and needs to be desolved.

HB-2477

Submitted on: 1/31/2024 6:37:42 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
William Roth Martin	Waikoloa Coast Divers LLC	Oppose	Written Testimony Only

Comments:

I'm writing to express my sincere opposition to the seemingly well intentioned Bill HB 2477. I am an owner of a diving business in Kawaihae and feel that the bill will have a severely negative impact on my business and other business like mine. Please realize that this bill will have highly negative effect and has not even been discussed within our industry.

Please stop this bill until more work can be done to understand it.

Sincerely,

Roth Martin

Waikoloa Coast Divers LLC

HB-2477

Submitted on: 1/31/2024 6:47:16 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tim Conners	Kona Sailing Charters	Oppose	Written Testimony Only

Comments:

We strongly oppose hb2477. It is already difficult and expensive to operate a business in Hawaii. HB2477 makes it worse. We have put everything we have in to building this business. It is our retirement. If we can not sell our business when we retire, we won't be able to retire.

HB2477

To whom it may concern:

HB2477 is an extreme bill that creates an over reach of power and shows the mismanagement and corruption in our state.

The number of permits given out in each area should be managed. You can't mismanage that, then turn around and try to rip out peoples livelihood because of governments mistakes. Local people have invested their lives into our ocean based companies and not everyone has a child that wants to take on this type of business when our time is over. This bill will completely devalue every ocean based business to zero. I have a very successful fishing charter with 2 boats in slips and if this bill passes, I'm essentially left with just 2 boats when I retire. Boats are extremely hard to sell when they are too big to be trailered.

Local people have been getting priced out of paradise for decades and this bill is just another step to ensure that continues. Our government is only concerned about their raises and this shows. Hawaii government wants no transparency and wants to keep raising taxes. How do you think that looks. The fishing industry is hard enough and the state keeps increasing fees. Eventually the profit margin will shrink enough that every slip in Port Allen will become a Napali(which is already the overcrowding issue) tour to create more revenue. This bill will take too much power in our government (which has been achieved the recognition of most corrupt 2 times now) over our careers, retirement, and our paychecks. Some seem to forget, the government works for people like us, we pay your salaries, and yet you can give yourselves raises while writing up bills like this!

When DOBOR decides to revoke permits or auction of a permit, another local is gone and a very wealthy newcomer gets his pleasure permit. The division of wealth in Hawaii is extreme and everyone writing this bill knows whose hands the auctioned permits will fall in. They don't seem to care as long as they can get a raise I guess.

I have grown my business over the years given tons of visitors great fishing experiences here. The more successful my business became, the more I have paid in taxes. I have contributed to the growth of the boating industry and paid 100s of thousands of dollars to the state while employing 6 full time local fishermen to do what they love and feed their families. If this type of democratic government control was in place before I got into this industry, I would have created a different type of business and just kept fishing recreationally.

This is a sad overreach and I really hope some of you that are locals can look at this from a business or personal standpoint and see what this does to our industry/careers/retirement.

Mahalo,
Kodi Toulon

HB-2477

Submitted on: 1/31/2024 6:48:45 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Evan Valiere	Hanalei Charters, Inc.	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Evan Valiere. I strongly oppose this bill. This is an extreme over reach for control. There are systems in place to protect these areas. I encourage the enforcement office to continue using the regulations as they are.

Thank you,

Evan

HB-2477

Submitted on: 1/31/2024 7:43:49 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian	Kona Ocean activities/ DBA Hawaii Marine Life LLC	Oppose	Written Testimony Only

Comments:

I vote no for HB2477. This is a violation of our constitutional rights. America is a capitalist nation.

HB-2477

Submitted on: 1/31/2024 7:50:23 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica L Belt	Holo Holo Charters	Oppose	Written Testimony Only

Comments:

This bill is unjust and will among other things destroy small business. Forcing existing operators to bid against each other to save the businesses they have built through decades of hard work and much financial investment will destroy the fabric of our communities here in Hawai'i. We are small town, we take care of our own, this is destructive and dangerous.

Thursday, February 1, 2024, 9:00 A.M.

State of Hawai'i

House Committee on Water & Land
State Capitol, Conference Room 415

**JOINT TESTIMONY OF DOUG CHIN AND ERIC ROBINSON IN OPPOSITION TO
HOUSE BILL 2477, RELATING TO COMMERCIAL OCEAN RECREATION
OPERATIONS**

Dear Chair Ichiyama, Vice Chair Poepoe, and Committee Members:

We are legal counsel for a hui of commercial use permit holders throughout the State. Thank you for the opportunity to submit testimony in **opposition** to House Bill 2477.

HB2477, along with HB2474, HB2475, and HB2476, is “part of a comprehensive ocean recreation management package” put forth by the Department of Land and Natural Resources. The bill will have devastating effects on small businesses and its rationale does not make sense.

For example, HB2477 first posits that “over recent years, commercial ocean activity has substantially increased” and then notes that “the [D]epartment has attempted to reduce commercial use permit counts[.]” It’s unclear how commercial ocean activity would increase unless additional commercial use permits were being issued. It’s also unclear how ineffective attrition has been at reducing the number of commercial use permits and whether permittees who do not meet minimum revenue standards have been permitted to renew their commercial use permits.

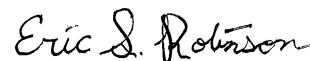
Small business owners who hold commercial use permits will automatically have their permit terminated if *any* ownership interest is transferred. For example, if a business owner transfers their interest to a sibling (*e.g.*, by will after death), the permit automatically terminates. If a business interest is transferred as part of a divorce to an ex-spouse who wasn’t an owner beforehand, the permit automatically terminates. This immediately impacts the value of small businesses and is not an equitable approach. HB2477 would also give the Department the authority to revoke or suspend any commercial use permit without adequate constitutional due process. There is a more equitable way to address existing commercial use permits and we know of several permittees who would welcome the opportunity to engage with the Department on this issue.

Thank you for the opportunity to provide testimony in opposition to HB2477. We respectfully ask that the Committee **defer action on HB2477**.

Sincerely,



Douglas S. Chin



Eric S. Robinson

HB-2477

Submitted on: 1/31/2024 7:58:26 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Edward T Boyd	Pursuit sportfishing, Kona	Oppose	Written Testimony Only

Comments:

Please respectfully note my opposition to this bill that seems to be happening too fast and without any input from the many small and struggling ocean recreation businesses that will be hurt by this bill in its present form. I urge you to please spend the time to better understand the negative impact that it will have on our small business. We are struggling as is and we have already paid for a slip at great expense (in excess of \$100k) which we would lose under this bill should we not be able to sell the slip we purchased. This is being rushed through with no time to receive comments from those most effected.

Thank you in advance for your attention.

Respectfully,

Edward Boyd

Owner of Pursuit sportfishing charters

Kona

HB2477

Relating to Commercial Ocean Recreation Operations

Oppose

As written HB2477 will have a devastating effect on Hawaii's ocean recreation industry. The justification for the bill--"over-commercialization"--also seems to be anecdotal at best, and a false narrative. The precepts of the bill have never been discussed with the industry it will heavily impact. The bill is quite simply unfair, unjustified, probably unnecessary, unduly harsh and should not be moved forward.

HB2477 proposes to take the essential assets of any ocean recreation business—its commercial use and mooring permits—if/when the business is sold.

This proposed legislation reverses a practice that businesses across the State have relied on for over 50 years. Most ocean recreation businesses use boats, and without the permits required to moor, launch and operate boats, the value of those businesses (and their boats) is severely diminished.

This legislation proposes taking those essential permits from small businesses, and instead of allowing the permits to remain with the business, they would be sold at public auction. Who would buy an ocean recreation business without a place to keep their boats? Who would risk the chance lottery of a public auction to obtain the berth, mooring, and permits required to operate that business?

Consider this example: Imagine you owned a small restaurant and you could live off the profits, and when you retired sell the building. Then the state comes along and taxes the profit away, and then tells you when you close your business, it's also going to take your building. That is unduly harsh and borderline cruel!

It should also be noted that DOBOR's history of successfully managing public auctions is rife with failure. Ala Wai, Maalaea, Honokohau Boat Storage come to mind. Millions in revenue have been lost in these failed transactions. Auctions are not the division's strong suit.

This bill has many other issues, not the least of which are substantial increases in fees which are hardly justified for an industry forced to operate out of sub-standard, third world facilities.

Moreover, dramatic changes of practice and the diminution of longstanding rights should never be undertaken without input from the industry impacted by those changes. DOBOR has not discussed the proposals in this legislation with the ocean recreation industry.

It should also be pointed out that Hawaii's ocean recreation industry is an essential player in its overall economy. DBEDT polls of departing visitors determined that some 80% of our visitors participated in some form of ocean recreation while they were here. Beat up on the ocean recreation industry too much and you risk killing one of the geese that lay the golden eggs.

Alternatives: As this bill is clearly an attempt to raise revenue, it must be pointed out that DOBOR has hundreds of acres of vacant land, much of it increased in value by its proximity to small boat harbors across the state, yet there is no apparent effort to lease that land to the many businesses/developers who have sought to create opportunities there. If the Division would support additional businesses in or adjacent to its current facilities, it could raise far more revenue than they ever will by putting existing businesses in jeopardy.

Please do not move this bill forward, and please admonish DOBOR to open up a dialogue with the industry, to consider the many alternatives available to them to increase revenue, and to be more honest in their dealings with the legislature and the community.

Rick Gaffney, President
Hawaii Fishing & Boating Association

HB-2477

Submitted on: 1/31/2024 8:06:06 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tait Heitz	Big Island Divers	Oppose	Written Testimony Only

Comments:

I oppose HB2477 due to the impact it would have on small business.

HB-2477

Submitted on: 1/31/2024 8:16:48 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nathaniel Fisher	Na Pali Experience	Oppose	In Person

Comments:

Aloha,

My name is Nathaniel Fisher, founder, owner, and operator of Na Pali Experience boat tours on the island of Kaua'i.

I am in strong opposition of bill HB2477 which aims to reduce commercial boating permits in the most heinous and obnoxious way. The method presented sounds like some sort of financial gladiator pit, forcing existing permittees to bid against each other and buy back permits that were already awarded (in my case over 12 years ago).

Similar to last years HB1090, once again, it is crystal clear to me and anyone else paying attention that it is the little local guys that would not survive.

Why is the current DLNR administration pushing agendas that consistently aim to hurt the little guys? As did HB1090, this bill goes straight for the neck without any attempt whatsoever to communicate and find solutions collectively with the permit holders. That fact alone should make everyone question - Why is DLNR operating in such a deceitful and inhumane manner?

We are human beings. We have names. We're easy to reach and even easier to work. We want to find solutions as much as anyone and I personally have a mountain of ideas that would at least resolve the Kaua'i issues.

Mahalo,

Nathaniel Fisher



January 30, 2024

COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair

Rep. Mahina Poepoe, Vice Chair

Subject: Opposition Testimony for HB 2477

Dear Chair Ichiyama and Vice Chair Poepoe,

I am writing to express my strong opposition to HB2477, which proposes significant increases to commercial ocean activity fees. As a 53-year-old Kona snorkel business, these proposed fees will severely impact our operations and jeopardize the livelihoods of our 50 employees due to our inability to remain viable.

The increase of doubling from 3% to 6% plus a \$3.00 per person fee can equal another 2-3% or more, making a total of 8-9% plus the DAR new fee of \$1.00 per person and then GET, which totals 15% taken from our gross income.

Every few years, an audit is conducted on the DLNR, and there are significant discrepancies every time. Shouldn't the department clean up its books before charging higher fees and continuing the bad habits of poor money management with no consequences? Our legislature is the one to make DLNR clean up its expenditures to justify any fee increase.

The maintenance work at the DOBOR harbors is treated as a line-by-line item funding request. Proving the legislature has felt the need to control DLNR's spending on each project yearly. Our current 3% fees bring in hundreds of millions annually.

While every business in Hawaii is challenged with finding employees, the ocean tourism industry will have these higher fees basically taxes, impeding our ability to compete in recruiting and pay as high wages and benefits as land-based businesses. Over-taxing this industry in Hawaii makes Hawaii a less favored tourist destination by outpricing itself.

I ask the committee to vote NO on this bill before we are harnessed with too much tax and fees on our industry.

Thank you for considering my testimony.

Respectfully,

Mendy Dant
President
Fair Wind, Inc.

HB-2477

Submitted on: 1/31/2024 8:21:24 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Travis Bacon	Husk Til Dusk	Oppose	Written Testimony Only

Comments:

Passing of this horrid legislation will be a huge leap backwards for small business owners, present and future.

HB-2477

Submitted on: 1/31/2024 8:26:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bill Murtagh	Li'i Makau, Inc.	Oppose	Written Testimony Only

Comments:

Wasn't aware of this until now, not enough time to prepare testimony. Strongly oppose.

HB2477 - Permits

I strongly oppose HB2477. I represent myself as a Kaua'i resident passionate about my community and as a business owner, leading and managing Holo Holo Charters, a snorkeling and sightseeing boat tour operator on Kaua'i.

DOBOR should not be allowed to prevent commercial use permits from being transferred or to create an auction process to reduce number of current permits.

It is completely unfair and wrong to take away the ability for a business to operate when they have invested everything, have dedicated employees depending upon them and have followed all the rules. I recognize DLNR/DOBOR has created a problem, but penalizing the law-abiding businesses and citizens for a government failure is not acceptable. The only tool DLNR/DOBOR should be given to rectify their problem of over-issuing commercial permits is to buy the businesses at fair market value.

If this bill passes in it's current state, you will create a whole new slew of problems and completely decimate and beautiful and critical part of our local economy. Commercial permit holders will have no incentive or ability to invest in their business as it will be seen as temporary. Operators only focused on this year's gains will not be able to afford to maintain a superior fleet, attract and retain a quality workforce and will confuse customers with no consistency in the marketplace.

We are currently planning to invest in new boats, built on Kaua'i by Kaua'i people. We are creating a new economy and industry here. It would be cheaper to buy from somewhere else, but we are passionate about keeping it local, contributing to our community and training a workforce with new and valuable skills. This bill will encourage charter operators to run their vessels and equipment as long as possible with the lowest capital investment possible.

As a business owner, I am committed to investing in my company, employees and community. I don't take for granted the amazing privilege we have in showing guests the most beautiful areas of our state. It is a responsibility we take very seriously and have invested significantly to run the best boat tour operation possible.

Regulate and reward businesses who are operating responsibly, the ones spending more money to do things right. This bill would discourage businesses from operating sustainably, as operating sustainably means to ensure you "sustain" and last, minimize your impact and focus on long-term success, not short-term profits.

Instead of penalizing all businesses for a government mistake, ensure those who are operating are doing so with the health of the community and environment in mind, reward them for doing so and penalize those who don't. That will disincentivize the inadequate operators and the market (i.e. permits) will balance itself.

Commercial use permits need to remain transferable. I wouldn't be here today if this bill was in place. I am a proud Waimea High School graduate, studied small business management with the hope of coming home to Kaua'i and one day have my own business. I am so grateful for the opportunity my husband and I was given, after proving ourselves and managing the business for over 7 years the founder gave us ownership opportunity. He is not my family as your definition would see it.

If this bill was in place, the founder and all the blood, sweat, tears and dollars, that he put into this business for over 25 years would be worth nothing. As he is ready to retire, and with no “family” to pass it to, he would just have to give up everything he built, for nothing? And all of us who put our time and passion into the company, would just be out of a job? How does that make any sense? And how is that legal in America? That is an incredible burden for a business owner to bear. If you don’t have family to pass it to, if you are sick/old/incapable, there are no options for the business to survive without you, everyone who counts on you for employment is out of luck.

I was provided an amazing opportunity and I was excited by the thought of paying it forward and providing other hard-working, loyal, dedicated team members ownership opportunities as well. Don’t take that away from us. My two young sons may choose to pursue their own passions and careers, instead of being forced to maintain the family business.

I do not support increasing fees as we currently provide a great revenue source for the state and it’s not our fault that the money is mismanaged by government. However, I am a businessperson and understand the rising costs and inflation, so the market will adapt and we will pay fees necessary to support the infrastructure and facilities to maintain our operations. How about that new money goes into a special fund specifically designed to purchase permits back from those ready to retire them?

DOBOR should not be allowed to randomly choose limits for commercial permits. Studies should be done to provide scientific data that would support the carrying capacities of the resources and harbors. It should not be arbitrary and at the discretion of those currently in power.

Auctions should not be the method of issuing new or relinquished permits. This would clearly hurt the residents who are trying to operate a small local business. We would not be able to outbid mainland money from coming in, scooping up all the permits they could and making this a corporate, cold, heartless and destructive industry. Keep permits in the hands of local small businesses who have a huge passion for the people and place where they live and operate.

Please consider the dramatic impacts this bill would have on the lives of so many who are passionate and committed to our islands.

Mahalo,

Chandra Bertsch
Co-Owner & General Manager
Holo Holo Charters
PO Box 50940
‘Ele‘ele HI 96705

HB-2477

Submitted on: 1/31/2024 8:28:15 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
kelsey	Best Big Island Tours LLC	Oppose	Written Testimony Only

Comments:

I own a small boat business in Kawaihae. I've been in the business for 13 years and started my own company in 2021 in attempt to recover from the pandemic. I also started a non profit that uses small boat business to provide education and therapy to our local community. To pass this bill would contribute to more poor mental health and lack of education to our LOCAL people. Not only be devastating financially to employees and business owners.

This bill proposed would kill small boat businesses. Prob the intent of the bill. 2000/month for a commercial fee is not possible for a small boat charter like mine with 6 people as the max. I also chose to only operate during the whale season and bring in almost 150K in 3 months. Personally, I live off of less than 60 K a year. I do this as a mission, lifestyle...not to get rich.

The beauty of living in the US, is one can create a lifestyle. Instead of making MORE money, I wanted to utilize the time outside of whale season to take out local kids for FREE through a non profit called For Children to Flourish. This bill, if passed, would destroy that opportunity for our local kids. We have taken out 701 kids since 2022. Our goal is to reach 2024 this year. But with this bill looming, we are saddened that it may not happen.

What a shame!

You all as leaders should know the devesating consequences to our community that these bills propose.

Solution. Use the current fees to actually go back into the boating industry. Don't put it in the community pool and wonder why we are having environmental and harbor issues. Use the current funds wisely. This is not the solution.

This bill also has a lot of legal flaws. If this bill passes, since it is so subjective, the state is looking at legal lawsuits which will only use up more money and be a waste of everyon's time. I know, we have a couple lawyers in the family.

HB-2477

Submitted on: 1/31/2024 8:29:57 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nick Kern	Kohala Blue LLC	Oppose	Written Testimony Only

Comments:

I absolutely oppose this bill. Perhaps one of the most ridiculous suggestions that could be made. If passed it will cause undeniable hardship to the entire boating/tourism industry of Hawaii, not to mention ruining many of the businesses and livelihoods currently in place. Undoubtedly it will also incur a number of lawsuits that will further deplete the states resources. Spend some time and energy and think of something better to deal with whatever issues you are attempting to solve with this bill.

HB-2477

Submitted on: 1/31/2024 8:39:16 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg Longnecker	Xtreme parasail inc., diamond head parasail inc. blue ocean Hawaii LLC, Capt. Trips sport fishing ll	Oppose	In Person

Comments:

I have been involved in the marine industry for over 35 years in Hawaii. This is serious over reach, of our capacity to sell our businesses. I think that we should be able to sell our businesses however we see fit, similar to any other business. Our businesses need permits in order to operate. I currently own 4 permits 1 in Kauai and 3 on Oahu. These businesses have generated significant revenues to the state, as well as providing many jobs to our employees. This bill would impact our business values very negatively. I strongly disagree with this bill.

I also think that doubling the 3% to 6% is very unfair. We were in discussions with the state about the \$1 per head new rule. Only to be bypassed and have it approved with very little input from the boating community. I understand that there are many businesses that may be pirating these rules. However, we have always paid out fees. I think to pass these rules across the board is not fair, to the existing long term permit holders.

HB-2477

Submitted on: 1/31/2024 8:47:29 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Samantha Falgiani	Hawaii Adventure Diving	Oppose	Written Testimony Only

Comments:

Hello,

I'm writing in opposition to this bill to stand with my fellows in the harbor community. We are all very hardworking and passionate about our work and lifestyles on the ocean. Our jobs are very exhausting and if we have to try to work even harder to earn enough money to live in this increasingly expensive economy there will naturally be more accidents/mistakes from exhaustion. There's really no more money to be pulled from us. Everyone is already super broke. Even the tourists aren't spending and tipping. We can't sustain charging them more to cover the difference.

Thank you.

HB-2477

Submitted on: 1/31/2024 8:49:53 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jody Bright	Hawaii Marlin Tournament Series	Oppose	Written Testimony Only

Comments:

I oppose HB2477 because the charter fishing commercial permits have decreased in number, not increased - therefore the intent of this bill to reduce the commercialization of ocean recreation is simply incorrect when it comes to the charter fishing industry commercial permits.

The bill is also way over reaching and should be killed and sent back to the drawing board to target the actual problem sector, and not the entire commercial permit universe.

IF there is any redeeming value in this bill - which I can't find - the at the very least, the charter fishing sector should be carved out and removed IF the bill can be amended, to target only those sectors who are actually over commercialised.

Mahalo for the opportunity to testify.

Jody Bright

Owner/Producer

Hawaii Marlin Tournament Series

Aloha,

This is my testimony in opposition of H.B. NO. 2477.

After 40 years of working in the maritime career field, here in the Hawaiian islands, and reaching a point in my career where it is time to finally consider retirement, I am astounded to learn that due to no fault of mine, the State is considering these two bills which will render 4 decades of financial, physical, and mental investment worthless. These bills are not the solution and are the equivalent of saying to every business owner in Hawai'i that our General Excise Tax License will be revoked if we sell our business, and the new owner will have to bid in an auction process to acquire a new tax license, though the state may not put that license up for bid at all. No one would buy a business that doesn't have the required license to conduct business in Hawai'i. Likewise, no one would buy a boat tour company without the commercial permits required to operate the business. It's not only unfair to those of us who've devoted a lifetime to building our businesses and paying millions of dollars to the state in commercial fees and taxes, it is equivalent to the state taking eminent domain of our permits, rendering our businesses worthless. It's disheartening to even consider that a person at my age, would be financially destroyed by the State's failure to regulate the number of commercial permits it has issued until now. If it is the state's plan to seize our permits should we sell our businesses, then the state should pay the fair market value of the business with permits. If you take our permits, we are no longer selling a business, with decades of goodwill, branding, and track record. We are simply liquidating our equipment and being forced into bankruptcy. For someone like me who has invested so much into my employees, equipment, infrastructure, branding and equity of the business, it's astounding that this is even being considered or discussed.

My three sons and granddaughter were born and raised in Hawai'i. My sons, wife, and nephew all work with me in this business. My senior Captain, Patrick, (born and raised here), who lost everything in the Lahaina fires, has worked for the company 26 years. Two of my other Captains and GM have worked with me for over 15 years. Our kitchen manager Troy (born and raised on Maui), has been with us 20 years. The list goes on and on. We are a locally owned business that has created careers for over 100 local residents throughout four decades. Maui-Molokai Sea Cruises and Maalaea Sport Fishing Inc., have held permits at Maalaea Harbor longer than any other permittee on Maui. Rather than taking our permits, how about limiting the number of passengers each permittee can carry into certain high use areas. We did this after COVID, with our two passenger boats, in the interest of reducing our footprint. Hopefully, the Governor will veto these bills as he did the last time they were proposed. I also hope there are enough people that recognize the devastating effects these bills will have on companies like mine and the tourism industry across the board with Ocean recreation being a huge part of that industry.

HB-2477

Submitted on: 1/31/2024 8:53:54 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gregory Fogarty	Pacific Marlin Club Permit # 20-65976	Oppose	Written Testimony Only

Comments:

We are opposed to this bill as it will have too many financial ramifications and is out right unconstitutional. We bought this business 3 years ago as a means of livelihood and have had another Sportfishing charter business since 2013. Many smaller charter business will be lost if this bill goes through which means so much history will be nullified. How are we expected to live here with no means of income? It's hard enough with the housing prices and now taking away 100,000 possible jobs. Our clients add to this community as I have more than 100 charters per year which means an average of 400 people coming here and spending money to support our tourism. Don't squash the smaller businesses with limited financial resources. It was created by this state government by issuing to many permits not the one who want to contribute to the community.

Let's be fair about this and keep this small business owners who have created a resourceful entity on making these islands a great place to vacation in.

regards,

Captain Greg " Stretch " Fogarty.

HB-2477

Submitted on: 1/31/2024 8:58:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tom Young	Coral Reef Adventures (Kailua Kona)	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. This bill would allow DOBOR to take permits away from the smallest tour operators in the state, and auction their permits off to the tour operators with the deepest pockets. Tour operators that have followed all the rules and have done nothing wrong would be put out of business, while the wealthiest tour operators would be able to submit the highest bids to purchase more permits, and ultimately grow their businesses at the expense of the smallest businesses. This bill takes aim at the smallest of small businesses, and is designed for the rich to get richer. This bill is in-line with HB1090 that Governor Green vetoed recently, as he was not comfortable with the devastating impact the bill would have on small businesses whose permits would have been taken away. All existing commercial permits should be maintained by companies that are following the rules, and they should not be taken away for any reason other than failing to follow the rules. I'm not sure it's intentional, but DOBOR has proposed a suite of bills that would take permits away from commercial operators, and every proposed bill takes aim at the smallest tour operators. For instance, they have proposed to take away permits from commercial boat ramp permits (smaller boats use the ramp), and they are not proposing to take away permits from bigger / wealthier boats that have a permit for a boat slip. They are proposing an auction system for permits, which again is advantageous to the bigger / wealthier boats. There is absolutely no reason to take away permits from rule-following permittees, but if the DLNR is going to do that, then they should find a way to do it without introducing significant unfair disadvantages for the smallest businesses.

HB-2477

Submitted on: 1/31/2024 8:59:25 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeff Leicher	Jack's Diving Locker	Oppose	Written Testimony Only

Comments:

- My wife and I own and operate Jack's Diving Locker. We are a small business in Kona. This bill would be devastating to the recreational diving industry in Hawaii, as well as other ocean recreation businesses. We have spent the last 41 years putting everything we have into our business. We have created A world renowned Dive destination, and employed literally hundreds of people over the years. We have had several employees reach 30 years of Service with our company. To allow permits to be turned over based on an auction would be a huge mistake not only for the businesses affected, but for the clients being served, and the community in general. It would be unfair, detrimental to the quality of the product being offered, the safety of the clients and even the long-term financial health of the DLNR. I see no upside, other than to get a new breed of operators in place that don't necessarily have the history, or community ties to defend them selves against unfair DLNR regulation.

HB-2477

Submitted on: 1/31/2024 8:59:48 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
BYRON KAY	Kona Honu Divers	Oppose	Remotely Via Zoom

Comments:

I oppose this inept Bill

HB-2477

Submitted on: 1/31/2024 9:03:47 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Debbie Patton	Captain Steve's Rafting	Oppose	Written Testimony Only

Comments:

"Specifies that the Department of Land and Natural Resources can issue new ocean recreation commercial use permits by unsealed public auction." This will result in the rich grabbing any and all new commercial use permits and eliminate small businesses even having a chance.

Not sure where new commercial use permits would even be allowed. If this is proposing that all ocean recreation commercial use permits be put up for public auction upon renewal, that's ludicrous. All small business operators would not be able to compete.

Part of this bill suggests that one partner of a business cannot sell to another partner???? What about if someone gets sick? What about if someone needs to get out for WHATEVER reason? This is the most horrifying thing we have ever read.

Testimony for Bills HB2476 and HB2477

1-30-24

Aloha Chairperson and Members of the Committee,

I am writing to oppose the 2 proposed Bills HB2476 and HB2477.

The implementation of the provisions of these overly draconian bills will hurt small business and free enterprise within the marine community. Profit margins are already slim for most commercial operators and the competition keeps prices in check. The waters are not overly crowded by vessels and the sheer number of them is necessary to cater to the demand from tourists to have an ocean experience. Often times being on a boat is the highlight of the trip from seeing whales and turtles. At the end of the day this whole thing is larger than just DOBOR, these bills affect tourism to our Islands.

This is the type of testimony that will be mirrored by many commercial operators in this hearing, but it is worthwhile to dig a little deeper into why these bills are being proposed in order to find equitable solutions. The additional revenue that these bills expect to generate will go directly to the boating special fund.

In a press release dated 1/26/24, titled- *fifteen boat groundings in maui nui over the past year* the DOBOR Administrator, Ed Underwood is cited- "No tax dollars are expended for state-supported salvages, as the [boating special] fund is entirely from user fees. Underwood also stated in a separate press release dated 1/25/24, titled- *weather challenges and new information hampering grounded boat removals* "The boating fund is all the user fees people pay – mooring fees and commercial use fees." "The bids we received to attempt to tow the *Chaparral* to O'ahu were around a million dollars plus. The earlier bids, to cut it up in place, ranged between \$149,000 and \$600,000." "Unfortunately, the salvage of the *Chaparral* will completely deplete that fund, so we're hoping there are no more groundings until it is restored."

*The Star Advertiser reports- DOBOR awarded an \$841,820 contract to Sea Engineering Inc. to salvage the former torpedo boat *Chaparral*.

When boat owners walk away after a grounding or have failed to carry the required insurance, DOBOR's boating special fund picks up the tab. And it is obvious DOBOR is trying to replenish the boating special fund by tapping into commercial charter revenue so that they are able to do their duty of protecting Hawaiian Waters, which often means the removal and salvage of many boats per year. And it is obvious the fees collected from all recreational boating and commercial activities in the state are not enough to fund the recovery of all of these grounded vessels, much less pay for actual improvements and ongoing maintenance in the harbors. Further, the salvage contractors get to set their price as there are only a couple of companies capable of such disposal.

The insurance requirement for vessels in Hawaii pursuant to Chapter 200 is below with additional information available at <https://dlnr.hawaii.gov/dobor/insurance-requirement/>

[§200-13.5] Vessel insurance.

(b) All owners of vessels subject to this section pursuant to subsection (a) shall obtain insurance coverage with a limit of not less than \$100,000 per occurrence, in a form and **content to ensure that removal and salvage of a grounded vessel are covered**

This regulation is not currently being enforced by DOBOR. Frankly they are unable as no insurance companies are willing to include a salvage provision in their policies for any Hawaii based vessels.

Proactive maintenance and inspections on moorings outside of Lahaina, Maalaea and elsewhere would mitigate a majority of the groundings and come at a much lower price than salvaging vessels after the fact. It would also protect the reef system and put more public trust back into DOBOR by proactively avoiding these environmental catastrophes.

SR109 was introduced last year due to the grounding of a large vessel in Honolua Bay, Maui that made national headlines. It was determined the vessel was moored illegally leading up to the grounding, yet DLNR enforcement personnel do not enforce these types of activities on the water. Nor is there enforcement of the many currently illegally operating commercial charter boats when DOBOR could be generating significant revenues from the fines of such operations of which exist in every major harbor in the Hawaiian Islands. The revocation of the commercial use permits will end up encouraging more illegal commercial charters and may end up hurting the revenue the program was intended to generate.

The Division of Aquatic Resources (DAR) has mandated a \$1/per person charge for the [Ocean Stewardship User Fee](#) that is meant to offset environmental restoration efforts to the reefs and waterways. Currently there is no enforcement of the compliance of user fees to be paid. At present, DAR expects to coordinate with DOBOR to maintain a current list of the operators subject to collection of the fees under Act 46 and to share with DOBOR the compliance status of those operators. While DOBOR tracks commercial charter boat revenue it does not maintain records of head counts. The online payment portal by DAR and DOBOR is not live 30-days into the program and a google search returns no applicable results. This is expected to be a \$1-5M fund that is already being mismanaged.

Implementing solutions to the vessel groundings and salvage will negate the need for these bills to be passed the way they are written. While I do agree that some changes need to be made to the commercial permitting process, enforcement, and fee structures, but this is best done by inviting boaters to be part of the solution and allowing an open forum to help with the verbiage of these bills to better benefit the community as a whole instead of trying to pass it with the current provisions.

Solutions-

- Start a new salvage fund created outside of the boating special fund. Charge an additional fee at time of registration for all boaters to help raise funds.
- Partner with other organizations and create grants that can be put forth toward preventative maintenance and inspections of moorings in order to preserve the reef ecosystem.
- Tap into revenue generated from the DOT and the Commercial Harbors division.
- Enforce illegal commercial charter operations and collect fines.
- Hire a consulting agency to audit DOBOR current practices and mirror successful programs from other States and Municipalities in the US.

From: Michael DeRego CaptMike@hawaii.rr.com
Subject: HB2477
Date: January 30, 2024 at 2:55 PM
To: repichiyama@gmail.com, repichiyama@capitol.hawaii.gov

Aloha Representative Ichiyama: My name is Michael DeRego and I am second generation charter boat captain. My dad and uncle started our business in 1948. Presently I have three charter permits in Honokohau harbor. My boats are very active and we provide a living for 12 people, both crew and office staff. Many of my staff have worked with me for years, the longest has been 34 years. We are a small business that rely solely on charter fishing revenue to survive.

We are strongly opposed to HB2477. This bill has the potential to shut down every small business in the charter fishing industry permanently, as well as any other small businesses in the ocean activities industry. The bill's intentions are frightening and the power that it potentially will give DOBOR is near unconstitutional and totally unjustified. The bill eliminates the ability of any small business survive and compete with large corporations.

Many of our small businesses, like myself, have spent years in building equity in our businesses and this bill prevents us from selling our businesses and retrieving the equity due at retirement. I am at retirement age, so this is very frightening to me. Many of us bought these permits years ago, have slaved to make ends meet, and now DOBOR wishes to deny us the right to sell our businesses and basically will keep all the equity we built by auctioning our permits. This seems to be against the American way and near unconstitutional.

According to the bill, DOBOR will have power to decide how many permits are justified in a harbor, and has the right to cancel all permits, set lower quota for permits, then have these permits auctioned to the highest bidder. Again, this will literally kill many small businesses like mine, that will have to compete at auction with large corporations to bid and hopefully get a permit back.

Furthermore, this bill restricts the sale of your business to a partner. How un-American is that? Seems near unconstitutional to me.

The bill also provides for a super large increase in lease payments for our slips. In fact in some cases, the proposed increase is nearly 4 times the current rates. Unjustified and unexplainable.

Effective January 1, we are required to pay DAR, \$1.00 per passenger. This bill proposes a \$3.00 charge per passenger. DAR hasn't yet figured out how to collect these funds and now the proposal is \$3.00 per passenger.

In discussions with my peers and competitors, we are convinced this bill will lead to failures and bankruptcies by many small ocean activity companies in Hawaii, statewide.

We, as an industry, are asking that this bill be rejected so that many of us can continue providing a great service to our visitors. More importantly many of will also be able to pay our home mortgages and stay off the streets. I was born here, love Hawaii, love my job, have spent my life promoting fishing in Hawaii as an activity, please don't let HB 2477 strip us of our heritage.

The bill is a serious and unjustified "money grab" by DOBOR.

Please feel free to contact me at 808-430-2390 or email me at captmike@hawaii.r.com.

Mahalo Captain Mike DeRego

Sent from my iPad

HB-2477

Submitted on: 1/31/2024 9:32:10 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dean Lemman	I own and manage Brilliant Charters and the fishing boat Apex.	Oppose	Written Testimony Only

Comments:

As owner of a fishing boat and charter business we strongly oppose HB2477. Its a ridiculous bill that will have devastating effects on boat owners and their businesses. The DLNR should be promoting our businesses not trying to damage them.

HB-2477

Submitted on: 1/31/2024 10:55:40 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Francesca Nielsen	UFO Parasail & Adventures aka UFO Chuting of Hawaii, inc.	Oppose	Written Testimony Only

Comments:

My name is Francesca Nielsen and I strongly oppose this bill. UFO Parasail & Adventures has been bringing joy in our enterprise to many since 1985. We have survived many hardships including the recent devastation that hit Lahaina last year and still continue to thrive. This bill would bring a devastating hit to our economy and many hard workers would loose their jobs, causing them to start fresh. Many of them, including myself, do not have experience in other fields outside of ocean recreation and this would cause hardships for us. We are people who have a strong love for the ocean and respect it in all its glory. We would also loose a great deal of revenu for our community as tourism would likely drop as a result. Please consider allowing us to keep our jobs and our communities thriving.

Sincerely,

Francesca Nielsen

Administrarive Assistant - UFO Parasail & Adventures

UFO Chuting of Hawaii, inc.

HB-2477

Submitted on: 1/31/2024 10:59:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Roy McMahan	Lady Laura Fishing charters llc	Oppose	Written Testimony Only

Comments:

I own a charter fishing boat and company in Honokohau in Kona. I am against this bill for a variety of reasons but mainly because its a very typical way government tries to solve problems they don't want to deal with. Hawaii should build more marinas or expand the ones we have. That involves work and government typically likes to just say "no" usually to limit work loads. Honokohau could be a great harbor but it isn't. It's a prime example of what something looks like when Government runs something, it's like the Postal Service out here, it's terrible. Hawaii should sell the harbors and land around it to professional marina operators and let them build and develop the properties the way they should be. -Roy McMahan

HB-2477

Submitted on: 1/31/2024 12:08:51 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Rudenko	Liquid Cosmos Divers, LLC	Oppose	Written Testimony Only

Comments:

To Hawaii legislators.

As owners and operators of a small SCUBA company Liquid Cosmos Divers out of Kawaihae Harbor South we are deeply concerned about this bill.

To keep business running our monthly expenses are extremely high as is, after paying for fuel/insurance/business loans/taxes and state fees we are barely in the green!

Proposed rate hike would certainly be a devastating blow to our small operation. There are only 4 of us in our company, we run a 6-pack dive boat, and just to break even and pay crew wages we have to have at least 3 seats sold at a \$295/seat price!

Every year ocean recreation activities such as SCUBA-diving get more and more expensive and less available to every-day-folks. Less people can afford water activities such as diving. That pressure is especially felt by small operations that practice "Quality vs quantity" mindset.

The proposed elimination of ability to transfer the ownership of a company and company's assets such as boat slips raises another strong issue.

We have no children and are not planning on having any in the future. One day Liquid Cosmos Divers will need to be transferred to another owner who will continue our vision of educating and connecting humans with our beautiful ocean. Taking away the ability to transfer the ownership of companies to another dedicated ocean educator in the future is a pathway to loosing the community of small-scale mom-and-pop SCUBA and snorkel operations and having them replaced by a fleet of luxury boats and yachts. Which is already the case in Kawaihae Harbor South - a few wealthy individuals purchased companies and their commercial boat slips there only to put in their luxury boats that they use once or twice a year!

Our company would greatly benefit from having a slip for our dive boat, we've been on a waiting list for a few years now. It is painful to watch how those wealthy boats just sit in the slips for months and months without being used while we have to trailer our boat every day.

Stripping off commercial permits from existing operations and auctioning them and the companies assets, such as boat slips to the highest bidder will leave us - small businesses owners, local fisherman and local boaters - with no hope of having a commercial boat slip in the future.

We will never be able to afford to outbid the highest bidder in the proposed auction.

Please reject this bill, it doesn't make any sense and it is designed to harm small-scale water activities operations across the islands.

Aloha!

Mike Rudenko, owner of Liquid Cosmos Divers, LLC. Kawaihae, Hawaii.



NORTH SHORE CATAMARAN CHARTERS

PO Box 793
Haleiwa, Hawaii 96712
PH: 808-351-9371
website: www.sailingcat.com

We are writing you regarding HB2477.

We are commercial operators located in Haleiwa Small Boat harbor for over 15 years and can not believe audacity of proposed bill HB2477. As a small business we have had a really tough 3 years due to Covid, a terrible economy, and the devastation of the Maui fires which has brought tourism down across *all* islands. We have been making a very slow recovery as tourism is returning to very dismal numbers mostly due to all the high hotel taxes, environmental taxes, increased crime, homelessness and unstable economy that have made Hawaii a very expensive and dangerous vacation destination. During the Covid lockdown we were forced to run at half capacity all while still paying our harbor taxes, otherwise we would lose our permits, forcing us to get a SBA LOAN just to survive. We have worked so hard to make a recovery in the past few years and now if this bill passes we will be back to struggling and possibly losing our company because of this bills overreach. As a small business we work every day to make ends meet under constant pressure by the state to make sure they receive their cut of all the GROSS profits. This bill has the markings of hostile take over by the Hawaii government to get rid of all the small business' and *private* companies. We also believe it is unfair that the state wants all Commercial Use Permits to be non-transferable other than to spouses or first-generation lineal decedents, what if a small business owner doesn't have children to pass this too. This part of the bill seems very discriminatory and problematic for owners that have no children or children that are not capable of running a business of this type. We have built this business with blood, sweat and *so many tears* in hopes to possibly one day sell as our retirement fund so we continue to live in Hawaii, not to hand over to the state for them to decide in an *unsealed bid process*. It is possible also that the spouse or children may not have any interest in taking over over the commercial permit and business, especially if this is how the state is going to run things moving forward, why would anyone want to run a business in the type of climate that the DLNR AND DOBAR has created? Also the unsealed bids are completely unfair and prone for *more* state corruption, (as if this state has not had enough of that in the past 10 years ie: police chief fiasco) At least with having a sealed bid there is transparency and it is an *open and fair* process which reduces chances for corruption. In addition to all points mentioned above the state wants to increase commercial fees, *more* than doubling them and increase from 3% gross revenue to 6% of our gross revenue, isn't that extortion? It is unfair how the state can take your money *before* you are even able to *pay all of your expenses*, and in the boating business there is a lot to keep the vessels safe and sea worthy due to regulations that the state and the government has in place. This potential bill seems as the state is setting up to bring in big business' and push the small mom and pop business' out. This state was built on mom and pop business'!

The corruption and harassment from the DLNR has been out of hand in the past 10 years. DLNR civil servants walk around with guns, and harass boaters with a mob like mentality and it is extremely unsettling. Half of them don't even know anything about

boating or even know the boating terms or rules of the road, they are just hired as clerks and when you inquire about something they take forever to get back to you. One of the DLNR agents (while on duty) pulled a commercial owner out of his truck and beat him up, As a woman, I don't feel safe around a DLNR agent and ask that I have another person with me just so I won't be accosted and I have a witness to testify if something were to go wrong.

We must always play by the rules however the rules are constantly changing. For example we were told by DLNR agents that even if the \$1.00 stewardship User fee does not get passed we would still have to pay it. How is that even legal? Of course it passed, we had no doubt that they would take that opportunity to extract more money from small business', visitors and tax payers.

We love being on the ocean and what love what we do and want to share that with local people and with the visitors to the islands, but with restrictions like they are hoping to impose on us, the increase of fees and new rules we will have no choice but to raise prices, which will lead to less bookings (less gross revenue and tax money going to the state), more unemployment (more strain on our government resources), more dismal numbers for a state that is already in a lot of trouble financially which is embarrassing to our government leaders (ie: THE RAIL) not to mention corruption and lack of respect for the small businessman who are the ones that financially support our government. The state needs to figure out a better way to get more income, not off the backs of the hardest working people out there. If there needs to be an increase in harbor taxes and GROSS revenue why can't it be done slowly over the years? Maybe in small percentages? All of our contracts to our vendors have gone out at the end of 2023, prices are locked in now for 2024, this is completely unfair and out of left field. So many jobs will be lost and revenues will continue to decline for the state. Our Ocean is one of the most wonderful things about our islands, let us continue to show our love of our ocean to the people.

Mahalo,



Corrine Germain
North Shore Catamaran Charters Inc.
Ph: 808-295-1403

HB-2477

Submitted on: 1/31/2024 4:47:07 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacquelyn Hoover	Captain Bobs Charters Inc.	Oppose	Written Testimony Only

Comments:

I am opposed to this bill. My husband and I own a charter fishing concierge service that is probably one of very few native Hawaiian owned fishing charter concierge services its the only one I know of on the Big Island. We book fishing and other boat charters for both visitors and residents alike and this bill would be hugely detrimental to our business as alot of the operators we work with have said that if they lose their permits and are forced to bid to get them back they fear they will be priced out of the industry. Also my husband is a Charter fishing Captain and from talks with the owner of the boat he runs as well as talks with alot of the other boat/permit owners it appears that alot of them feel like if this goes through and they lose permits that even if they have the means to place a large bid to resecure a permit they wouldn't because this bill and the way it is written and planned causes them to have a huge lack of confidence in the whole process and it would seem like a poor investment and doesn't really seem to make much sense to spend that much money again when a large number of them have already spent large amounts of money to buy existing permit holding corporations that if this bill passes would be effectively made worthless. Another issue is that this would be a huge detriment to the local economy in general as there are a huge number of people that would end up out of work if this bill passes and these charter operations are forced to close their doors.

HB-2477

Submitted on: 1/31/2024 7:29:45 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Eric Clay Lawrence	Wild West Charters	Oppose	Written Testimony Only

Comments:

To Whom it may concern.

I oppose this proposed amendment for the most obvious reason. This amendment will lead to a serious decline in the Sportfishing/Aquatic recreation industry in Kona Kailua. The incentive to make the current level of investments without the ability to transfer entitlements is not existent. A decline in the quality and stability of commercial operations will result. The Harbor will be a showdown of its former self if the proposal fails s implemented.

Best regards, Eric C Lawrence

owner Wild West Charters

HB-2477

Submitted on: 1/31/2024 9:52:32 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica Garrison Glazner	Liquid Cosmos Divers	Oppose	Written Testimony Only

Comments:

I am writing to OPPOSE HB2477. As the co-owner of a small SCUBA operation out of Kawaihae Harbor I am deeply concerned about this bill and what it would do to our small business. First, the proposed increase to the commercial permit fee would double our monthly permit expenses. Our operation takes a maximum of 6 divers, so our margins are very slim and this proposed increase would be impossible for us to meet without increasing our rates. The recreational dive industry is already inaccessible to most people due to how costly it is to participate, and this would only marginalize our clientele-base even further. Furthermore, this proposed increase could have the potential to put many of the state's small businesses out of business, leaving only larger companies to monopolize the industry. This is harmful to both Hawaii's residents and visitors. One of the main concerns I have with the proposed increase is that it does not disclose where the money will be used. Why are commercial operators having to foot this huge permit fee increase, when we are already paying hundreds or thousands of dollars a month to the state for our commercial permits?

Furthermore, this bill proposes to eliminate the ability to transfer the ownership of a company and the company's assets of a commercial slip. This would mean that a business could not ever be sold in its entirety when the owner is ready to retire, as the commercial permit must be forfeited to the state. This takes away our ability to transfer the ownership to someone of our choosing to carry on our vision and mission of marine education and conservation. Rather, the proposed auction would allow all of our businesses to be replaced with a fleet of luxury boats that sit in the harbor and are only used several times a year (this is already becoming a problem in Kawaihae Harbor). This auction system would also rule out the ability for new businesses to be formed, as most new businesses would not be able to match the highest bidder. This bill is extremely detrimental to the future of Hawaii's ocean tourism industry, leaving only luxury boats and large companies who have monopolized the permits as the only boats left in the harbor.

The other large issue I have with this bill is that in the introduction it states that the goal of the proposed legislation would be to help protect the marine environment, yet there is nothing in it that would support marine conservation. I am a marine biology PhD student at the University of Hawaii and I study coral reef ecology, so I fully support anything that would help protect Hawaii's coral reefs. I do agree that certain reefs around the state are facing over-crowding, however this proposed bill will not address that issue. Instead, limiting the number of boats allowed in these over-crowded places each day may be a better solution. Furthermore, the smaller operations are generally the ones who take the greatest care of the nearshore environment. We conduct regular reef clean-ups, educate our guests on marine conservation

topics, ensure that we never harm our touch the reef, and donate money to local reef conservation non-profits. On the other hand, Maui experienced a boat grounding that greatly damaged the reef in Honolua Bay last year. The vessel, Nakoia, was a luxury yacht that was owned and operated by people who do not care for our precious coral reefs. This problem is only going to increase, if the proposed bill passes and more of these luxury-type operations are allowed to operate in state waters. This bill does not make any sense from a conservation standpoint, which is what it states to be in the introduction.

In conclusion, this bill would harm Hawaii's small businesses, visitors, and coral reefs. Please vote no to protect our local community and environment.

HB-2477

Submitted on: 1/30/2024 9:02:46 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Judith Jennet	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB2477, it unfairly raises fees substantially, unfairly favors large businesses and will significantly impact ocean recreation businesses and our economy. Many individuals are employed by these businesses and this will impact our island and state negatively. The auction process is unfair to those who have been paying to be on a waiting list, some for dozens of years. The auction process favors those who have access to large sums of money and will result in many local businesses being forced out and wealthy mainland individuals will have access to permits and business opportunities that should be continued with our local residents.

HB-2477

Submitted on: 1/30/2024 9:58:58 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jared Dow	Individual	Oppose	Written Testimony Only

Comments:

Hi, I'm a owner of a charter fishing operation out of Haleiwa harbor and strongly oppose this HB2477 bill. I actually can't believe Scott Saiki would even write something that's this destructive to hundreds of our Hawaiian small business owners. He must really be getting paid well by some big company to call for all permits to be revoked and then auctioned off to the highest bidder. Not sure why he so bent on closing the "loop hole" of us business owners being able to sell our commercial permit along with the business we created anyways. Isn't that how all business works? Anyways, please don't let this bill get any further along , it's complete garbage ! Thank you , Jared Dow

HB-2477

Submitted on: 1/30/2024 11:06:57 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tammy Yoon	Individual	Oppose	Written Testimony Only

Comments:

Subject: Concerns Regarding HB2477 - DOBOR Administrative Bill

Dear Chairwoman Ichiyama,

I hope this message finds you well. My name is Tammy Yoon, and I am writing as a concerned citizen regarding House Bill 2477, the DOBOR Administrative Bill. While I may not be directly involved in commercial operations on Hawai‘i's waters, the potential consequences outlined in this bill have raised significant concerns for me and others in our community.

It is crucial to acknowledge the importance of balancing regulations to protect our natural resources while also supporting the livelihoods of those engaged in responsible commercial activities. After reviewing HB2477, I am apprehensive about the proposed measures and their potential impact on local businesses, the economy, and the overall well-being of our community.

The provisions limiting the transfer of permits and allowing auctioning off permits to the highest bidder seem to disproportionately favor a select few, potentially excluding deserving operators who may lack significant financial resources. This raises questions about fairness, accessibility, and the long-term sustainability of our local businesses.

The proposed fee increases, removal of the state legislature's role in determining permit numbers, and the potential for stripping 100% of commercial permits from facilities without due process all contribute to a sense of uncertainty and anxiety within our community. These measures, if enacted, could lead to unintended consequences, affecting not only businesses directly but also the broader community that relies on their services.

I urge the committee to carefully consider the concerns of citizens like myself, industry stakeholders, and the potential ripple effects on our local economy. I believe it is essential to strike a balance that ensures responsible commercial activities continue while addressing valid concerns about over-commercialization.

Thank you for your time and dedication to serving our community. I trust that you will take into account the diverse perspectives of concerned citizens like me as you deliberate on House Bill 2477.

Sincerely,

Tammy Yoon

HB-2477

Submitted on: 1/30/2024 11:13:00 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
joe pavsek	Individual	Oppose	Written Testimony Only

Comments:

House spill 2477 will put a number of in water commercial businesses out of business. It doesn't seem legal that person can build a business up and not be able to sell it. If he sells it you can only sell it to a spouse also doubling the gross Is another bad idea on top of the one dollar conservancy fee and a three dollar per person fee is totally ridiculous. I sure hope somebody with the brain kills this bill. Thank you, Joe Pavsek.

HB-2477

Submitted on: 1/30/2024 12:29:03 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gary Wong Wagner	Individual	Oppose	Written Testimony Only

Comments:

Government overreach is insane in this bill. People have worked hard their whole life to have their business stripped from them? Insane over reach of power and clearly a money grab from hard working, tax paying citizens. This bill will kill many jobs within the boating community. Many generational families and native Hawaiians, including myself, depend on their job to take care of themselves, as well as their ohana. I oppose this bill 100% and hope that our elected officials will seriously look at how much this will hurt local families if this bill passes.

HB-2477

Submitted on: 1/30/2024 12:38:08 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erin Brown	Individual	Oppose	Written Testimony Only

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 12:46:32 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Claire Muchin	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2477.

I see this bill being introduced to be completely subjective and not based on any properly researched facts. At a minimum, any bill passed needs to be based on an environmental and community assessment. The extreme terms being used in this bill need to be tested and fact-based and not based on subjective “feel facts”. Any fact-based issues related to commercial operators should be solved with solutions that work for the state and the commercial boating permit holders. This bill takes an axe to solvable issues.

This will create an overall less safe fleet of commercial charter vessels across the state. When permit holders have no assurance of longevity or the ability to sell their business, they will not invest the necessary capital needed for new and upgraded vessels. This bill will encourage charter operators to run their vessels and equipment as long as possible with the lowest capital investment possible.

This bill will make 100% of Commercial Use Permits non-transferable (other than to spouses or first-generation lineal decedents) effectively only allowing family dynasties.

Business partners will not be allowed to sell interest in their companies to each other internally in the company which is untenable.

This bill will give DOBOR the ability to revoke or suspend commercial use permits using **subjective opinions** that the operator is engaging in activities that may endanger the health or safety of passengers or the public.

This bill will increase all recreational mooring fees to unknown amounts to be individually assessed by approved state appraisers which I oppose.

This bill will increase all commercial use fees to \$2,000 per month or \$3 per passenger plus 6% of gross revenue, whichever is greater and add a new fee for all permit renewals -- which I also oppose.

This bill will remove the powers of the state legislature to set the number of commercial permits for each harbor or ramp and allow DOBOR to indiscriminately choose at random the number of permits allowed, which I oppose.

This bill will allow DOBOR to remove 100% of commercial permits from any state facility that has an overage of commercial permits allowed. Then, require all existing commercial operators to bid against each other to remain in business. 100% of the money collected from the auction of existing operators will be kept by DOBOR, which I oppose.

This bill is overreach by DOBOR and will ultimately cause harm to current commercial

operators.

HB-2477

Submitted on: 1/30/2024 12:53:33 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Forrest Thomas	Individual	Oppose	Written Testimony Only

Comments:

Aloha and thank you for taking the time to read this. As a small family owned business in Hawaii this bill is unfair to the small business. The fee increase is not Proportionate to what small business qmake. This bill is geared to shut down us small business owners that don't have the funds to pay so the larger companies with large checkbooks can make more money by not having as much competition. If a bracket system was introduced where companies that are making lots if money pay more then smaller companies it would allow small companies the chance to grow. Please do not pass this and allow us small family owned companies to go under.

HB-2477

Submitted on: 1/30/2024 1:02:43 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua Munoz	Individual	Oppose	Written Testimony Only

Comments:

This bill will destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 1:12:57 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andriana Fragola	Individual	Oppose	Written Testimony Only

Comments:

This bill will make it impossible for small family boat businesses to operate in Hawai'i. Revoking permits without valid reason after they have already been established is horrible and is completely unfair to small family businesses who have been operating for years and even decades. This bill will only make room for wealthy investors, that are not native or locally from Hawai'i, and will allow them to take over even more businesses in our community. The over-commercialization this bill is concerned with will only worsen if this legislation is passed and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. This bill should not be taken into consideration. And this bill does not support the local people who respect this land and this island.

HB-2477

Submitted on: 1/30/2024 1:17:16 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
adriana cases	Individual	Oppose	Written Testimony Only

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without good reason after they have already been established is unfair and unconstitutional. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure. It's important to protect the livelihoods of hardworking average class individuals who make up the backbone of society (Many of whom are native Hawaiians). People who have dedicated precious time and effort to building their businesses in order to support their families. This will cause thousands of people to become unemployed without just cause. Let's hope that this bill doesn't move forward and that the concerns of the community are taken into consideration.

HB-2477

Submitted on: 1/30/2024 1:27:36 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sasha Rovinsky	Individual	Oppose	Written Testimony Only

Comments:

This threatens small businesses and has the potential to fully uproot entire livelihoods. The proposed HB2477 poses a significant pressure to commercial boating operators in the state, potentially uprooting businesses and jeopardizing livelihoods. The bill's provision allowing DOBOR to revoke 100% of commercial permits and forcing operators to bid against each other for survival is a concerning overreach. The financial implications, with all auction proceeds going to DOBOR, signal a reckless money grab that could lead to job losses and negatively impact businesses across the state, undermining the efforts of operators who have invested decades in building their companies.

HB-2477

Submitted on: 1/30/2024 1:34:49 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicole Andricci	Individual	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for HB2474, HB2476, HB2477, HB2475, AND HB2093

Nikki Andricci 557 Kaikoo Pl Wailuku, HI 96793 1/30/24

[Committee Chair's Full Name] [Committee Name] [State Capitol] [City, State, ZIP Code]

I am writing to express my strong opposition to Bill Number's HB2474, HB2476, HB2477, HB2475, and HB2093, which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As someone who works for a small local business, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

Sincerely,

Nikki Andricci

HB-2477

Submitted on: 1/30/2024 1:35:22 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Vidnha	Individual	Oppose	Written Testimony Only

Comments:

I don't see how this bill is just. Yes there are too many permits. But the state issued these permits and the permit holders have built business and lives also they employ people who survive with the jobs provided. How is it a just situation to rip that away, take away jobs and destroy these businesses to fix a problem that you the state created. Then on top of that you want to redistribute permits by auction. So only the cooperations and people with the most money will be able to even participate in these auctions. It's time to get rid of these bad thought out bills and start to accept making the mistake of handing out to many permits and try to fix the infrastructure to accommodate what is in place. Knowing that there will be no more permits issued so it will only be as big as it is now and may even become smaller with attrition or permits taken away for violations.

HB-2477

Submitted on: 1/30/2024 1:41:18 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Phillip Vu	Individual	Oppose	Written Testimony Only

Comments:

Hi,

I would like to write to oppose this bill as it seems like the bill is in the interest of the government instead of the people. Many people have worked hard to save-up to start companies and boating charters and are already paying lots of money for insurances, permits, etc, not to mention the wildly high tax rate. I strongly do not think this bill should be passed and it seems like the government is trying to take more and more money from the people when we are just trying to make a living in inflated times. If the government can focus their efforts on other things like the homelessness problem, affordable housing for local and/or native, saying no to selling property to foreign buyers, and fixing the train that we paid for with our high tax rates.

I do not see a good reason why people should bid for permits and why commercial permits can't be sold to friends and family. I also do not see the reason for having such a small amount of commercial permits for harbors as these boating companies are bringing the state so much money. DLNR should not be worried about space and loading within the harbor and should allow the people to figure out their own times to load up customers without being in the way of others.

We are surrounded by water and should be able to share our oceans with people without having to deal with such expenses and rules from the state/DLNR. It would make sense for states like Florida where they are sport-fishing and disturbing and harming wildlife, but I believe for the most part the companies here are respectful of wildlife and the waters.

The urge and constant need to take more from the people instead of giving back is something to reevaluate and I strongly recommend opposing and denying this bill.

HB-2477

Submitted on: 1/30/2024 1:45:26 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristy Ford	Individual	Oppose	Written Testimony Only

Comments:

I am writing in regards to HB2477

I strongly oppose this bill.

This bill could creating a bidding war and allow larger (non-local) companies to come in and outbid for permits.

This bill has the potential to create a major uproar that would be detrimental to the boating industry. I would be impossible to operate or own a boat with the chance of your permit being sold out from under you in a sealed auction! There is no way to ensure that you could stay in business and employ local residents with permits blindly up for grabs! This is no different than attempting a land grab from Lahaina residents. You are selling to highest bidder and we all know that is not how we keep things in locals hands.

I strongly oppose this bill!!

Kristy Ford

HB-2477

Submitted on: 1/30/2024 1:46:38 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shantell SanAgustin	Individual	Oppose	Written Testimony Only

Comments:

I am a Native Hawaiian living on the Westside of Kaua'i and I opposed this bill. Jobs are low here on Kaua'i and our small boaters jobs have helped our community so please don't pass this bill.

HB-2477

Submitted on: 1/30/2024 1:46:42 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andy McComb	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members of the Hawaii Legislature,

I am writing to express my strong opposition to House Bill 2477, which proposes a significant increase in fees that would adversely impact both businesses and their employees. The proposed fee hike, more than doubling the current rates, poses a considerable threat to the economic stability of businesses and undermines their ability to establish a solid foundation for long-term success.

Such a substantial increase in fees places an undue burden on businesses, particularly those already navigating economic challenges. This financial strain not only threatens the profitability of enterprises but also hampers their ability to create job opportunities and invest in employee well-being.

A robust business environment is essential for fostering economic growth and job creation. Unfortunately, the proposed legislation fails to consider the potential negative consequences on businesses, stifling their ability to thrive in the long term.

I implore you to reconsider the implications of HB2477 and explore alternative solutions that support business growth without jeopardizing the financial stability of enterprises and the livelihoods of their employees.

Thank you for your attention to this matter.

Sincerely,
Andy McComb

HB-2477

Submitted on: 1/30/2024 1:46:45 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Kohler	Individual	Oppose	Written Testimony Only

Comments:

Bill 2477 states that overcrowding and impacts on marine life in recent years is need for the reduction in commercial permits. Wouldn't a better solution be to use the increased commercial activity (and subsequent increased funds from commercial use permit fees) to improve our boating facilities and help preserve our marine environment? Our boat facilities and day use moorings are in disrepair. It is rare to see a state law enforcement officer while on coastal waters. Shouldn't we address our dilapidated state boating facilities, condemned piers and lack of a day-use mooring program before we simply put commercial operations out of business and sell a limited number of permits to the highest bidder with the most wealthy investors?

Bill 2477 creates a system where state regulations will cause businesses who have been legally operating under commercial use permits to bid against each other to see who gets to stay in business. People have invested everything they have into businesses that are operating legally and will either have to buy the opportunity to continue to operate legally at public auction or be put out of business with no compensation. This is an unacceptable way to approach a problem that could be addressed with better infrastructure to the benefit of residents, visitors, tourists and our marine environment.

HB-2477

Submitted on: 1/30/2024 1:52:20 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Danielle	Individual	Oppose	Written Testimony Only

Comments:

I only ever book small tour boats because I am taking tours to enjoy the animals and scenery and not people. Plus supporting small local businesses is important to me.

HB-2477

Submitted on: 1/30/2024 1:56:21 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kayla	Individual	Oppose	Written Testimony Only

Comments:

The idea of HB2477 is terrible for local businesses who are earning a living and many who are doing exceptional ocean work.

HB-2477

Submitted on: 1/30/2024 2:01:30 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sean Pierce	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

HB-2477

Submitted on: 1/30/2024 2:07:46 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Madison Hoapili	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill on behalf of myself, my fellow boaters, fellow islanders, and future generations who will all be affected by this bill if it passes. I am a native Hawaiian, born and raised on the ocean surrounding the island of Kauai. My whole life I have been taught the importance of sustainability on the island. Since hawaii has been illegally occupied by the United States, we have become more and more reliant on tourism for our economy. Since then, we have adapted. These are people's livelihoods and children's futures that will be taken away if this bill passes. Generations of captains who have used their platforms to spread knowledge and awareness to visitors from around the world to protect and Malama the islands. Our state is trying to make it harder and harder for people to make a living wage in an already financially repressing environment. If you pass this bill, you will be killing people's future, their children's futures, and many generations after that. And for what? Money? Pilau. I oppose this bill in hopes to protect our people from the damaging effect that this will cause because the state is trying to clean up its own mess.

Mahalo,

Captain Maddy

HB-2477

Submitted on: 1/30/2024 2:08:15 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lisa H. Gibson	Individual	Oppose	Written Testimony Only

Comments:

RE: STRONG OPPOSITION TO HB2477 Relating to Commercial Ocean Recreation Operations

Dear Chair Ichiyama and members of the House Committee on Water and Land:

I am writing in Strong Opposition to HB2477 which as written will have a devastating effect on Hawaii's ocean recreation industry. Dramatic changes of practice and the diminution of longstanding rights should never be undertaken without input from the industry impacted by those changes. DOBOR has not discussed the proposals in this legislation with the ocean recreation industry that it will heavily impact. The bill is quite simply unfair, unjustified, probably unnecessary, unduly harsh and should not be moved forward.

HB2477 proposes to take the essential assets of any ocean recreation business—its commercial use and mooring permits—if/when the business is sold.

This proposed legislation reverses a practice that businesses across the State have relied on for over 50 years. Most ocean recreation businesses use boats, and without the permits required to moor, launch and operate boats, the value of those businesses is severely diminished.

This legislation proposes taking those essential permits from long standing businesses, and instead of allowing the permits to remain with the business, they would be sold at public auction. Who would buy an ocean recreation business without a place to keep its boats? Who would risk the chance lottery of a public auction to obtain the berth, mooring, and permits required to operate that business?

This bill has many other issues, not the least of which are substantial increases in fees which are hardly justified for an industry forced to operate out of sub-standard, third world facilities.

It should also be pointed out that Hawaii's ocean recreation industry is an essential player in its overall economy. DBEDT polls of departing visitors determined that some 80% of our visitors participated in some form of ocean recreation while they were here.

Please do not move this bill forward, and please admonish DOBOR to open up a dialogue with the industry.

HB-2477

Submitted on: 1/30/2024 2:08:39 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kira Beltran	Individual	Oppose	Written Testimony Only

Comments:

As an individual who is an extremely active guest on several charters on all sides of O'ahu, I am writing to in opposition to HB2477 and the drastic effects it will have on local business owners and the community as a whole.

From a guests perspective, going out on charters with families and people who truly value your business versus with large companies is like night and day. These locally owned companies like Oahu Ocean Adventures, Haleiwa Shark Tours, Bob Marlin Charters, and so many others curate experiences with true passion and care for their guests on board. Big hotel charter companies are not effected by a single persons business and do not offer the same experiences. Increasing costs for these small businesses and possibly revoking their permits gives the power to the large, wealthier companies who do not care about their guests.

Looking at the position you have put these amazing local companies in should this bill pass, they may very well lose their entire livelihood that they have poured life savings and hard work into. You will ruin lives if this bill is passed. You will take away careers. And you will destroy ohanas who are working incredibly hard to make it in a state with increasing costs that values tourism over those who live here. By passing this bill, you are giving all of the power to the wealthy investors who have no knowledge or respect for our aina, and destroying those who work so hard to protect and share their love for this beautiful place we call home. Hawai'i is not for sale to the highest bidder.

Mahalo for your time,

Kira Beltran

HB-2477

Submitted on: 1/30/2024 2:19:41 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kelleen A Lum	Individual	Oppose	Written Testimony Only

Comments:

HB2477 OPPOSE

Please accept the following testimony opposing bill HB2477.

I am a crew member on a commercial operator: A small, family owned business of less than 22 employees, and in business since 1984. We have earned the first and only Internationally recognized PADI Green Fins Eco-Resort designation in the State of Hawaii and have a reputation for strict ecological care and education. This bill would have a disastrous effect on our business and our employees, and all other employers like ourselves.

A public auction of Commercial permits is a terrible idea, and a terrible precedent to set on how business is to be done in Hawaii. Auction of permits, and mooring spots, to the highest bidder will price small, local businesses, many, like us, who have been doing business successfully, all permits, fees and taxes paid, in an ecologically conscious way, for decades. Will we be able to afford a permit and a mooring next year? How do we budget for that? Will our permit be swooped up by a mainland or foreign business with deep pockets, no connection to the land or culture, no local employees?

If we do get lucky enough to find enough money to out-bid other small, local businesses (because this law proposes less permits that we all fight over), then this law allows the permit to be taken away from us, with no appeal process or even reason given, for any arbitrary feeling given by DLNR, to then turn around and auction it again to the highest mainland/foreign bag of money. This is tantamount to legally creating the biggest bribery scheme and power grab, with zero legislative oversight, to a department that has had problems with the Ethics board and corruption lawsuits in the past.

HB2477 has been very thoroughly written to control the number, cost, distribution, transfer, taxation and fees of commercial operations on the ocean. It has been written to shut the State and County Governments out of any oversight, regulation, or appeal of these one-sided rules. It has been written without any partnership with local businesses, law-makers, or cultural practitioners, a practice that goes against the DLNR's own stated Mission Statement.

This money grab is hidden behind supposed concern over eco-tourism and mis-use of resources. However it auctions businesses off to the highest bidder, without any study of past history of environmental impact. These highest bidders will be mainland or foreign companies and

government interests with the deepest pockets: Which means commercial fisheries, aquarium trade, and the precedent to allow foreign fisheries and shark finners, huge cruise ship companies, and private yachts. These high-bidders are exactly the companies who lack sustainability and any respect for ecological or cultural preservation.

Finally, please stop this bill and its precedent that Hawaii and its people and resources can be auctioned off to the highest bidder. There is a pattern happening with moorings, permits, harbors, land, the Ala Wai canal, Hawaiian land and homes, and the burnt out homes of Lahaina. The Legislature mustn't give over its power and public mandate to a corrupt department or business that will auction the people and resources of Hawaii off to the highest bidder, who will leave us in ashes and run gleefully to the bank.

Please remember your responsibility to the people of Hawaii and oppose HB2477. We beg of you.

HB-2477

Submitted on: 1/30/2024 2:21:50 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
James Ward	Individual	Oppose	Written Testimony Only

Comments:

To whom it may concern,

As a long-time member of the Kona ocean community and small business owner I am absolutely baffled by this bill. To start, the proposed rate hike of over 600% would almost certainly put me out of business. As an owner/operator of a small 6 passenger tour, my margins are already quite slim, and handling the recent 50% addition to our monthly fees was already a challenge. I understand incremental increases are occasionally necessary, but this bizarre piece of literature comes across as reckless, and reads as vindictive and malicious.

The manner in which this is being handled is also woefully problematic. It's not uncommon for us to be notified in triplicate via text AND email if the water needs to be turned off to a spigot in the Ala Wai on Oahu, but radical changes to our way of life are actively being subverted and not a mention of this plan was made prior to (or even following) submission.

Eliminating our ability to transfer ownership of our company (as someone without children) shows outrageous bias, and adds to a litany of issues that leads me to request that this bill be categorically discarded.

What I do on the water isn't just a job for me. It provides me the rare opportunity to do vocationally what I'm truly passionate about. Not only am I able to educate guests and residents alike about the wide array of Hawai'i's marine species, I'm also able to continually contribute to research, provide aid to wounded and entangled animals and fuel my passion for the underwater world. I'm asking you, from the bottom of my heart to pass on this bill and allow me to continue to do what I love in the place that I that love for as long as I'm able.

Sincerely,

Jim Ward

HB-2477

Submitted on: 1/30/2024 2:23:48 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Taylor Cunningham	Individual	Oppose	Written Testimony Only

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 2:24:15 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon kuakini	Individual	Oppose	In Person

Comments:

Aloha, my name is Brandon kuakini and I am a kanaka oiwi born and raise on the island of Oahu. I am a boat captain out of kewalos n Haleiwa harbor working for locally owned business's and aspiring to one day run my own charters. I oppose to all this nonsense. As a Hawaiian, my love and Mana'o of the ocean is what people come here to experience. Not just from me but from other kanaka sharing the same manao and passion. When people come to Hawaii, they want to experience culture, there leaving there big city with big corporations to get away. But your creating such things to be done here if this bill passes. By limiting the permits or giving it to the highest bidder your creating the worst. Yea money in your pockets but losing the aloha and culture in the process. Just like with what you guys did with The Beach Boys in Waikiki. Our ocean has provided so much to us, food, lively hood, created a community n ohana for me growing up, protection from trouble. A place my kids call home. Teaching my kids mo'olelo passed down from my dad n too me n so forth. Living in Hawaii is hard, running a business even harder. But it's not even work when you love what you do, it's a lifestyle. Learning from my boss n others around me, giving me hope that one day I can run my own charter one, having an opportunity to have a dream and aspirations to almost be shut down by the government n possibly by people with money to just buy there way in, probably not even being on the island, giving us the Hawaiians no hope. To the next generation, what do they get to look forward too, they can't live out there hopes and dreams because they'll get shut down buy big cooperations that they'll have to eventually work for but they have no hope to do it on there own, having someone pay them to share there manao n aloha to guest who come aboard because there owners don't know the first hand of aloha spirit. I just hope you give the people of Hawaii especially us kanaka the opportunity to keep our culture alive through our business, and not through some big cooperation like dive O'ahu.

Aloha

HB-2477

Submitted on: 1/30/2024 2:34:44 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paige Stegeman	Individual	Oppose	Written Testimony Only

Comments:

This bill would put many small company boat operators out of business.

HB-2477

Submitted on: 1/30/2024 2:35:05 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bethany Fuller	Individual	Oppose	Written Testimony Only

Comments:

I believe as a citizen that it is a disgusting overreach of the government to take the rights of small business owners away. It is absolutely terrifying to think that the state believes it ok to raise fees and taxes at anytime fit. To build a business or company takes time and money and to be told you dont have the right to benefit from that business by selling for profit is unjust, its like taking someones retirement away. If the government sees this control grab as just then what stops it from happening to other businesses? This bill will not only take out most of the small businesses in the industry, but it will take away thousands of jobs in communities througouht the state. Millions of dollars that come into the state will be lost, where will they turn to recover this money? I believe in community, keeping the ocean safe and clean. BUT i do not agree with this route! Srop singling out the ocean industry. Come up with a better solution.

HB-2477

Submitted on: 1/30/2024 2:36:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lori Sippos	Individual	Oppose	Written Testimony Only

Comments:

HB2477 will make it hard for smaller commercial ocean operators to continue operating. The increase in fees is very substantial and will make it hard for a lot of them to survive due to the increased cost of living/operating in Hawaii.

HB-2477

Submitted on: 1/30/2024 2:37:31 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chelsea Genova	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the unconstitutional overreach within this bill. Hawaii is one of the toughest states to start and operate a business, these new regulations will only add to the difficulty of being a business owner in this state and will only benefit the government, not the residents, local business owners, or tourists. This bill seeks to impose impossible and ridiculous fees, rules, and processes for commercial boating operations. Business owners have invested hundreds of thousands of dollars and blood, sweat and tears to build these businesses. They've taken the risks, the money, the initiative, and the time to build, only for the State to impose arbitrary but detrimental regulations basically devaluing companies for their own greed.

This bill needs to be dissolved in its entirety.

HB-2477

Submitted on: 1/30/2024 2:37:41 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bethany Steele	Individual	Oppose	Written Testimony Only

Comments:

I work for a small 6 passenger boat company on Oahu. This bill would make it impossible for the company to afford to operate. This bill will make it so only large corporations can afford to bid for permits and/or afford the proposed fees. Many times these large corporations are not locally own and they do not respect or care for the well being of the wildlife here in Hawaii. They are greedy corporations that abuse the ocean and island to make as much profit as they can. This bill would essentially eliminate most small local owned boat operations creating a hazard for the delicate marine life that resides here as well as eliminating thousands of jobs and businesses. This is a money grab. This bill will hurt Kānaka Maoli.

HB-2477

Submitted on: 1/30/2024 2:43:18 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nadean Lane	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because it will greatly affect small businesses in a negative way. We need to support our local small business in a positive way and this bill is not it.

HB-2477

Submitted on: 1/30/2024 2:53:03 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
James Stauff	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition to HB2477 because of the obvious economic harm that this bill will cause to the marine industry, tourism industry, and state economy. This bill is based solely on subjective opinions. I support the protection of public safety and marine natural resources, and I believe there are alternative measures that can be taken before the State of Hawaii decides to further limit commercial activity, effectively shutting down established businesses and taking away jobs from all stakeholders (business owners, employees, contractors, mechanics, advertisers, concierge services, accountants, caterers, vendors/suppliers, and many more). I would first like to see an environmental assessment study done on the areas of concern and the proclaimed harm DOBOR feels is related to the commercial charter industry. Then, a real discussion about the protection of public safety and natural resources can begin with local community involvement.

I do not hold any commercial use permits myself, but I work in the industry and interact with commercial charter operators across the state. Like myself, hundreds of small businesses will be negatively affected by this bill, while not holding permits directly. Our business has had many DOBOR permit holders contact us directly and express that they are nervous to submit testimony in fear of retaliation.

If business owners cannot sell their companies, with the company commercial use permit in-tact, or have long-term security in the ability to operate the companies they have built they will not invest the needed capital to maintain a safe fleet of charter vessels. Only competition and security of investment will allow these operators to keep investing in state-of-the-art boats and the highest level of safety. Please don't let Hawaii's commercial charter fleet degrade.

In regard to the fee increases, on one hand this bill subjectively states that there is an over-commercialization of Hawaii, but also so greatly increases the fees to the permit holders that they will be faced with the choice of operating more tours with more passengers or shut down completely. There are many small operators running small boats with low passenger counts. The fee increase suggested in this bill would be the difference between them paying their mortgages or laying off employees. I do believe that commercial permit holders are using public lands and

waters for their businesses and should pay reasonable fees for this use, I do not believe the state should look at the businesses built by private citizens and take the value of that business away from them only to auction this value off to the highest bidder for their own coffers.

This bill limits many companies' abilities to bring in and change business partnerships. The bill only allows for family dynasties and does not allow for the free trade of business ownership. It has no mechanism other than shuttering a business if a partner passes away and has no relative to leave their interests to.

It is clear that these bills are intended to limit the number of commercial operators on Hawaiian waters. This will ultimately enrich the few big companies that can afford to remain in business and limit new competition from entering the market. New competition will only emerge if they can afford a permit. DOBOR is going to kill the dream of building a successful business through hard work and community efforts so that DOBOR can make more money by auctioning off the opportunity to the highest bidder.

I urge you to oppose this bill and thank you for taking the time to read my testament.

HB-2477

Submitted on: 1/30/2024 2:58:24 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Corbin	Individual	Oppose	Written Testimony Only

Comments:

Oppose the bill of hb2477

HB-2477

Submitted on: 1/30/2024 3:00:29 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pamela Townsend	Individual	Oppose	Written Testimony Only

Comments:

Oppose

HB-2477

Submitted on: 1/30/2024 3:01:11 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
jacob causer	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill! This will have a large impact on the jobs of the west side of Kauai. As a your boat captain for ten years this is my livelihood. This bill would wipe out most of our job opportunities in the west side community. Please do the right thing and do not pass this bill.

HB-2477

Submitted on: 1/30/2024 3:03:15 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erica keough	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition of bill 2477

I work in the boating industry and see firsthand the effect this bill would have on local families. it will devastate our local west side community and the economy across the board. It'll cause a monopoly in the boating industry and make it so that the big companies who have all the money will buyout the small local businesses and the money from all of this will leave the island and the state.

HB-2477

Submitted on: 1/30/2024 3:03:44 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kielland Seaver	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition of bill 2477

I work as a captain in the boating industry on kauai and see firsthand the effect this bill would have on local families. it will devastate our local west side community and the economy across the board. It'll cause a monopoly in the boating industry and make it so that the big companies who have all the money will buyout the small local businesses and the money from all of this will leave the island and the state.

HB-2477

Submitted on: 1/30/2024 3:03:56 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
jackson barrett	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition of bill 2477..I am a boat captain on the west side of Kauai and this bill will be devistating to many family's and the economy that depends on it.. also will cause a monopoly with the wealthiest boat companies and the money will not stay in the state. Please do not pass this bill... our lively hoods depend on this.

Jackson Barrett
Na Pali Experience

HB-2477

Submitted on: 1/30/2024 3:04:59 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian	Individual	Oppose	Written Testimony Only

Comments:

Aloha!

I am strongly against this bill HB2477

I work for companies operating out of Kikiaola small boat harbor. This harbor provides many jobs to our small local communities. Going through with this bill is a direct attack to our working class! Please make this bill disappear forever.

Myself and many other greatly appreciate your understanding! Aloha

HB-2477

Submitted on: 1/30/2024 3:07:08 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Wade	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing in opposition to bill HB2477. My name is Jacqueline Wade, a boat captain and local resident of Kaua'i. I am writing in opposition because this bill will devastate the local community due to loss of jobs and small businesses essential to the state of Hawaii. Not only will it affect my job, but it will also be a direct blow to hundreds of residents with families who have the potential to lose their jobs.

Mahalo for your time,

Jacqueline Wade

HB-2477

Submitted on: 1/30/2024 3:08:09 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lindsey Elkington	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-2477

Submitted on: 1/30/2024 3:09:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Stevenson	Individual	Oppose	Written Testimony Only

Comments:

I strongly believe this bill will negatively impact charter operators, employees, visitors, and the overall economy. Many people have poured their life savings into their businesses and the effects of this bill could have catastrophic consequences for hardworking members of the community. Also as a holder of a recreational slip having the mooring fees increased to unknown amounts by state appraisers sounds detrimental to my boating experience. I have spent years on the waitlist for a commercial permit and from my understanding, all of the time and capital I have invested would have been for nothing. I strongly oppose bill HB2477.

HB-2477

Submitted on: 1/30/2024 3:10:05 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Taylor Walston Dewey	Individual	Oppose	Written Testimony Only

Comments:

To whom it may concern,

I am writing in opposition of this bill. My husband and I work/have worked off and on in the boat space and support multiple of our friends' local businesses and friends who are employees of these businesses who this bill would ultimately put out of work and shut down.

This is grossly negligent and wildly insane to even allow this bill to get as far as it has and will no notice to public or these companies- it's evil.

This bill should be shut down immediately.

Kindly,

Taylor Walston Dewey

In support of See Through Sea, Hawaii Adventure Diving, Deep Blue Eco Tours, Kaimana Ocean Safar, Na Pali Pirates, Na Pali Experience, etc.

These are families, real people, whose lives would be deeply impacted.

HB-2477

Submitted on: 1/30/2024 3:11:21 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Belt	Individual	Oppose	Written Testimony Only

Comments:

My name is Andrew Belt and I oppose this bill. I believe this will negatively affect the boating industry here on Kauai as well as creating a monopoly for boat companies that have deeper pockets to out bid others. I have been lucky to have worked as a boat captain the last twelve years and it has been such a good career that has really helped me to raise my kids here on Kauai.

HB-2477

Submitted on: 1/30/2024 3:13:41 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lex	Individual	Oppose	Written Testimony Only

Comments:

This bill will leave many of my family and friends jobless. It makes absolutely no sense and seems to be all about money. Ridiculous. There is so much good that these companies and individuals bring to people's lives every single day. No harm is being done. I oppose.

HB-2477

Submitted on: 1/30/2024 3:15:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel Havas	Individual	Oppose	Written Testimony Only

Comments:

My name is Daniel Havas I am a boat captain for Napali Experience and I'm here to testify against bill HB2477. I work out of the west side of Kauai. This bill will leave 100's of local people unemployed as myself who invested all their time and resources to become a boat captain. That number is just for the small boat harbor in Kekaha alone. This bill is a direct attack on small business owners who are trying to compete with the big corporations who will be the only ones able to afford the bidding process for permits. Please do not let this bill pass. It will be devastating for countless of families that depend on this industry. Please help us stand up for the people of Hawaii. Thank you!

HB-2477

Submitted on: 1/30/2024 3:17:50 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nolan Kaohi II	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Nolan Kaohi II. I am in opposition of HB2477. I am born and raised on Kauai and live in the Valley in Waimea. I grew up going to the Kikiaola Harbor as a keiki for fishing and hanging out there with the community. I know each and every person in my community that is involved at that harbor. A lot of them work on the coast as do I. All of them work for locally owned businesses that operate out of that harbor. If HB2477 goes through, I believe it will affect our community as of course, it's one of the few places small business still thrives. Taking that away will shrink our already shrinking community as lively hoods will cease. It's also a great way for local community to open a conversation to visitors for history lessons or conservation about our precious Aina, taking that away just makes a small opportunity for narratives smaller. Please take in consideration for opposition against this bill. Aloha

HB-2477

Submitted on: 1/30/2024 3:20:34 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John Irons	Individual	Oppose	Written Testimony Only

Comments:

'm in opposition of Bill HB2477. I'm a full time boat captain on the west side of Kaua'i. This bill would destroy a lot of small businesses and local communities and the livelihood of so many local people. Please stop this bill so we can continue to support our families. Mahalo

HB-2477

Submitted on: 1/30/2024 3:22:16 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chad Cox	Individual	Oppose	Written Testimony Only

Comments:

This proposal only seems to benefit the large corporations and unfairly targets the small companies that have been operating in Hawaii in some cases for generations. As someone who visits Hawaii often and prefers to support the smaller, locally owned boat operators, I do so because I love the culture of Hawaii. The aloha spirit of the local people, the essence of what makes Hawaii different than the other states is what draws many visitors there. This bill further commercializes an industry that already has lost some of its charm with larger businesses taking more ground. Honestly it's something that if it's lost would make me think twice about choosing Hawaii as a place to continue to visit. It's much cheaper to fly to Florida, California, or even Mexico to just get warm weather and a pretty beach. I pay more to visit Hawaii for the culture, the smaller, boutique type boat charters which are always the highlight of our trips. I returned from Kona less than a week ago and had gone out on 4 different boats for whale watching, snorkeling and Manta Ray tours and all 4 were small, locally owned boats. Three of which only seat up to 6 visitors. These are charters that I visit every time I come to Hawaii. So please reconsider this bill and if anything, work with the smaller local operators to make it easier on them to run their businesses. We don't need a few companies to control all the boat tours. Thank you.

HB-2477

Submitted on: 1/30/2024 3:23:53 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian F Sward	Individual	Oppose	Written Testimony Only

Comments:

The excessively large increase in fees will work to cripple businesses that are already struggling with the decrease in tourism, and continued inflationary pressures of all other associated goods and services. These fees could push businesses into the red, and instead of bolstering the department's revenue - will cause a large gap in taxable revenue. These fees will also force employers that are able to stay in business to restrict normal wage growth to compensate for the lost revenue. The ripple effect this causes on the community, the people, and tourism could be devastating to the local economy.

HB-2477

Submitted on: 1/30/2024 3:27:52 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Conner Humann	Individual	Oppose	Written Testimony Only

Comments:

To whom it may concern,

I am writing as a member of a small boat operation to express concern over this bill. I empathize with the owners of small business ocean operations who would be negatively impacted by the various fees and permitting changes. Operations who focus on small tour (6 people max) already feel impacts of financial changes more than others. But it is within these small tours that appropriate marine ecotourism can be fully demonstrated, with emphasis on minimal impact. Our business, and others like us, use this as a platform of education and awareness to these islands and marine systems, and contribute to research that is becoming increasingly important to understand the health and changes to our waters. Companies and ocean operations that have chosen to encourage these important practices for the better of the environment, as well as others around them should be protected rather than targeted by financial aggression. Creating space for over-commercialization and destroying many small businesses goes completely against what many on the water stand for. This is not just a job to me and many others, but a passion and lifestyle, one that has taken entire lives for some to make. I sincerely ask you pass on this bill.

HB-2477

Submitted on: 1/30/2024 3:32:26 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Theo King	Individual	Oppose	Written Testimony Only

Comments:

Leave the system as is it.

HB-2477

Submitted on: 1/30/2024 3:39:06 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Hannah Williams	Individual	Oppose	Written Testimony Only

Comments:

This bill is ridiculous and only harms small local businesses of Hawai'i. This will have a negative impact on not only the businesses but local families whose lives depend on these jobs. Hawai'i's government should focus on the best interest of locals and local businesses rather than mainland investors and corporations.

HB-2477

Submitted on: 1/30/2024 3:44:42 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jose San Austin, Jr.	Individual	Oppose	Written Testimony Only

Comments:

I Jose San Agustin Jr oppose HB 2477 for the soul perpose that it will be catastrophic and economic hardship to the communities of KEKAHA, WAIMEA and HANAPEPE on the island of Kauai ! Mahalo for your time in this important matter.

HB-2477

Submitted on: 1/30/2024 3:56:57 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Leilani Feleciano	Individual	Oppose	Written Testimony Only

Comments:

This bill is detrimental to the health and well-being of so many local businesses. Not only are the proposed changes a clear money grab, but they will drive out the people who give Hawaii a true representation in the industry. The industry will never be the same if this bill were to pass.

HB-2477

Submitted on: 1/30/2024 3:57:26 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Francesca	Individual	Oppose	Written Testimony Only

Comments:

After living and working on Kauai for a few years and getting to know many of these small business owners personally I cannot imagine why this bill would want to take away these peoples entire livelihoods. It is very clear this bill serves only larger businesses and once again neglects the local community that makes Hawaii, Hawaii. Please reconsider this bill and all the damage it will do to these hardworking small business owners.

HB-2477

Submitted on: 1/30/2024 3:58:41 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Adam lynam	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. If passed, this bill will ruin any chance of me investing in my current company that I have been working years for. I am finally in a position to invest and potentially buy the business that I have given years of blood sweat and tears to , and this bill would make it impossible to achieve my dream. Instead, this bill creates a situation where permits would go to the highest bidder. And the current owner of the company who has been building this business for years gets screwed. This bill is completely unfair and borderline unconstitutional. Please consider opposition of this bill.

HB-2477

Submitted on: 1/30/2024 4:05:24 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua Rex	Individual	Oppose	Written Testimony Only

Comments:

I'm not for this this doesn't help out local families struggling to survive here. This will only help rich folks

please do not pass this

aloha

Joshua Rex

HB-2477

Submitted on: 1/30/2024 4:06:38 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ali Josselet	Individual	Oppose	Written Testimony Only

Comments:

I love supporting small businesses and part of Hawaii's charm is the small business community. Let's keep the big corporate companies out and support local with aloha. My husband and I both prefer the small boat companies. We strongly oppose this bill.

HB-2477

Submitted on: 1/30/2024 4:07:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lauren Mackevich	Individual	Oppose	Written Testimony Only

Comments:

HB2477 is an absolutely egregious measure that would decimate small businesses across the Hawaiian Islands. The proposal would kill every single small boat charter in the state, effectively enabling only large businesses to operate. It is a lowbrow cash grab effort that will leave hundreds out of work and unable to provide for themselves if passed.

I have personally spent hours on the water with those who would be directly negatively impacted. These businesses make huge efforts to educate guests and the public on ocean conservation. They contribute to ocean and wildlife research. Their tours bring tourists to the Island and are a regular thing for locals. They take great care and caution with wildlife.

Passing this measure would be a direct attack on local small business and a signal that the Hawaii is a state that has to be bought in order for a business to succeed. The impact on our local community would be catastrophic. This absolutely cannot move forward.

HB-2477

Submitted on: 1/30/2024 4:11:14 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Angela Thomas	Individual	Oppose	Remotely Via Zoom

Comments:

Hawaii is a democratic state rooted in fairness and equality to all its residents. Bill HB2477 and the new fee structure for commercial permits will put many family businesses out of business and create a monopoly for the titans of industry in Hawaii commercial recreation. This violates anti-trust laws and could result in citizens having to ban together in class action to seek remedies for loss of livelihood. There should be consideration for a sliding scale that's inline with what the small business owners can afford. That on top of GE tax will drive small businesses out of Hawaii. Those small business owners support communities all across Hawaii. Additionally it will limit the varied choices of types of experiences travelers like to take part in when traveling to our beautiful state. We don't want Hawaii to turn into a one-note offering to tourism. Smaller water recreation experiences are some of the most sought after travel experiences in the world. Thank you for your consideration. Let's find a solution to keep and create healthy working environments in our state, not to destroy what is working. Think of ways to improve it, not dismantle it.

Sincerely, Angela Thomas

HB-2477

Submitted on: 1/30/2024 4:25:02 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
April Sutton	Individual	Oppose	Written Testimony Only

Comments:

While I do agree that there are many issues with the permitting process as it is, I do not believe that this bill solves the issues of overpermitting.

I am very concerned about this bill as it would have DLNR "issue new ocean recreation commercial use permits by unsealed public auction," basically allowing permits to go to the wealthiest people. In this time when the wealth gap is growing, this bill gives the wealthiest people yet another advantage over regular people.

It is also my understanding that the permit wait list that many people have been on for years is going to be eliminated. These people have been paying fees specifically because that was part of the process. What happens to the money these people have been paying annually? Are they getting refunded?

With all respect, I kindly ask you to not pass this bill.

Thank you for your time.

HB-2477

Submitted on: 1/30/2024 4:34:42 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Olivia Miller	Individual	Oppose	Written Testimony Only

Comments:

This bill will do nothing but harm small businesses and operators here in Hawaii. People have dedicated their entire lives to building businesses and to not be able to pass that on to anyone outside of a spouse or child is outrageous. There are many parts of this proposed bill that make no sense and do nothing but harm local operators in Hawaii. Even suggesting things such as no commercial operations on weekends and holidays. There are many students who work only on weekends to put themselves through college. I personally went to university of Hawaii and would not have been able to pay for school without being able to work weekend hours. This bill should be thrown out as it is in bad faith to locals working hard to share the marine environment with people.

HB-2477

Submitted on: 1/30/2024 5:01:22 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shannon Daliva	Individual	Oppose	Written Testimony Only

Comments:

The current language of HB2477 fails to consider the practical implications on businesses which are unfairly targeted and constantly blamed for various issues.

HB-2477

Submitted on: 1/30/2024 5:01:51 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gregory Kaufmann	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. I own and operate 2 boating businesses in Hawaii and this bill if passed will be disastrous to my ability to stay in business and keep my full time staff employed.

I have earned my income in the boating industry for the past 30 years as have many of my peers and I fear I will be unemployable if the boating business is damaged as it surely will be if this bill is passed. Please represent the long term residents of Hawaii and oppose this bill.

HB-2477

Submitted on: 1/30/2024 5:21:22 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Monique L LeBlanc	Individual	Oppose	Written Testimony Only

Comments:

I'm a 35 year resident & Work on the activity field. These Bill's that you are trying to pass are contradictory to the efforts to rebuild tourism.

Are you supportive of tourism, or against it.

Now is not the time to put more restrictions on activity & boating community. They are trying to recover from the effects of the Fire.

Please focus your efforts on long term housing for our fire victims, and those who have lost everything. Support the Boating & Tourism industry rather than beat them down.

HB-2477

Submitted on: 1/30/2024 5:31:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jonah Rondash	Individual	Oppose	Written Testimony Only

Comments:

Please accept the following testimony opposing bill HB2477.

I am a crew member on a commercial operator: A small, family owned business of less than 22 employees, and in business since 1984. We have earned the first and only Internationally recognized PADI Green Fins Eco-Resort designation in the State of Hawaii and have a reputation for strict ecological care and education. This bill would have a disastrous effect on our business and our employees, and all other employers like ourselves.

A public auction of Commercial permits is a terrible idea, and a terrible precedent to set on how business is to be done in Hawaii. Auction of permits, and mooring spots, to the highest bidder will price small, local businesses, many, like us, who have been doing business successfully, all permits, fees and taxes paid, in an ecologically conscious way, for decades. Will we be able to afford a permit and a mooring next year? How do we budget for that? Will our permit be swooped up by a mainland or foreign business with deep pockets, no connection to the land or culture, no local employees?

If we do get lucky enough to find enough money to out-bid other small, local businesses (because this law proposes less permits that we all fight over), then this law allows the permit to be taken away from us, with no appeal process or even reason given, for any arbitrary feeling given by DLNR, to then turn around and auction it again to the highest mainland/foreign bag of money. This is tantamount to legally creating the biggest bribery scheme and power grab, with zero legislative oversight, to a department that has had problems with the Ethics board and corruption lawsuits in the past.

HB2477 has been very thoroughly written to control the number, cost, distribution, transfer, taxation and fees of commercial operations on the ocean. It has been written to shut the State and County Governments out of any oversight, regulation, or appeal of these one-sided rules. It has been written without any partnership with local businesses, law-makers, or cultural practitioners, a practice that goes against the DLNR's own stated Mission Statement.

This money grab is hidden behind supposed concern over eco-tourism and mis-use of resources. However it auctions businesses off to the highest bidder, without any study of past history of environmental impact. These highest bidders will be mainland or foreign companies and government interests with the deepest pockets: Which means commercial fisheries, aquarium trade, and the precedent to allow foreign fisheries and shark finners, huge cruise ship companies, and private yachts. These high-bidders are exactly the companies who lack sustainability and any respect for ecological or cultural preservation.

Finally, please stop this bill and its precedent that Hawaii and its people and resources can be auctioned off to the highest bidder. There is a pattern happening with moorings, permits, harbors, land, the Ala Wai canal, Hawaiian land and homes, and the burnt out homes of Lahaina. The Legislature mustn't give over its power and public mandate to a corrupt department or business that will auction the people and resources of Hawaii off to the highest bidder, who will leave us in ashes and run gleefully to the bank.

Please remember your responsibility to the people of Hawaii and oppose HB2477. We beg of you.

HB-2477

Submitted on: 1/30/2024 5:36:46 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Matthew Ratoni	Individual	Oppose	Written Testimony Only

Comments:

Good day, my name is Captain Matt Ratoni and I am a loan single operated business on the island of Oahu out of haleiwa harbor. I'm writing you today because I'm opposing this bill due to many factors but mainly this. I started this business after everything was locked down, shut down and turned away from us. We're opportunities were completely lost and I turned to a passion that I knew would provide. I've always been a committed fisherman recreational amongst much more and I've always wanted to share my passion with people and was finally giving an opportunity to do so. I have been in business since June of 2021 and finally opening my doors in January of 2022. Since then I've grown my business at a slow pace but at a pace which is sustainable for my family. I don't plan on making a million dollars doing what I'm doing. All I want is to live a happy life and be able to take care of my bills and have a little extra to give my family a good life. This bill completely conflicts with those interest. With a insane increase in fees and requirements I will no longer be able to run my business by myself but instead be shut out and have to close my doors for only the state to take my business in. Auction it off to whoever they seem worthy and take away everything I've ever put into this. I'm not asking for the world. I'm just asking for a chance to run a business. I'll keep my family healthy and thriving in the years to come. Thank you for your time

HB-2477

Submitted on: 1/30/2024 5:40:23 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paige Knotts	Individual	Oppose	Written Testimony Only

Comments:

Please accept the following testimony opposing bill HB2477.

I am a crew member on a commercial operator: A small, family owned business of less than 22 employees, and in business since 1984. We have earned the first and only Internationally recognized PADI Green Fins Eco-Resort designation in the State of Hawaii and have a reputation for strict ecological care and education. This bill would have a disastrous effect on our business and our employees, and all other employers like ourselves.

A public auction of Commercial permits is a terrible idea, and a terrible precedent to set on how business is to be done in Hawaii. Auction of permits, and mooring spots, to the highest bidder will price small, local businesses, many, like us, who have been doing business successfully, all permits, fees and taxes paid, in an ecologically conscious way, for decades. Will we be able to afford a permit and a mooring next year? How do we budget for that? Will our permit be swooped up by a mainland or foreign business with deep pockets, no connection to the land or culture, no local employees?

If we do get lucky enough to find enough money to out-bid other small, local businesses (because this law proposes less permits that we all fight over), then this law allows the permit to be taken away from us, with no appeal process or even reason given, for any arbitrary feeling given by DLNR, to then turn around and auction it again to the highest mainland/foreign bag of money. This is tantamount to legally creating the biggest bribery scheme and power grab, with zero legislative oversight, to a department that has had problems with the Ethics board and corruption lawsuits in the past.

HB2477 has been very thoroughly written to control the number, cost, distribution, transfer, taxation and fees of commercial operations on the ocean. It has been written to shut the State and County Governments out of any oversight, regulation, or appeal of these one-sided rules. It has been written without any partnership with local businesses, law-makers, or cultural practitioners, a practice that goes against the DLNR's own stated Mission Statement.

This money grab is hidden behind supposed concern over eco-tourism and mis-use of resources. However it auctions businesses off to the highest bidder, without any study of past history of environmental impact. These highest bidders will be mainland or foreign companies and government interests with the deepest pockets: Which means commercial fisheries, aquarium trade, and the precedent to allow foreign fisheries and shark finners, huge cruise ship companies, and private yachts. These high-bidders are exactly the companies who lack sustainability and any respect for ecological or cultural preservation.

Finally, please stop this bill and its precedent that Hawaii and its people and resources can be auctioned off to the highest bidder. There is a pattern happening with moorings, permits, harbors, land, the Ala Wai canal, Hawaiian land and homes, and the burnt out homes of Lahaina. The Legislature mustn't give over its power and public mandate to a corrupt department or business that will auction the people and resources of Hawaii off to the highest bidder, who will leave us in ashes and run gleefully to the bank.

Please remember your responsibility to the people of Hawaii and oppose HB2477. We beg of you.

HB-2477

Submitted on: 1/30/2024 5:42:17 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shelley Carey	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2477 due to the impact it would have on small business and the citizens of Hawaii. Unsealed public auctions only benefit high wealth individuals and eliminates the working people of Hawaii.

HB-2477

Submitted on: 1/30/2024 5:46:05 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jack	Individual	Oppose	Written Testimony Only

Comments:

I oppose

HB-2477

Submitted on: 1/30/2024 5:49:56 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cherisse Y	Individual	Oppose	Written Testimony Only

Comments:

Please shut this bill down. Im sure you are aware of the huge impact it will have one locally owned businesses, the hospitality and tourism industry so I will not be wastint time explaining the reasons why. This is wrong and this bill needs to be cut out!! It will hurt so many hard workint families

aloha,

cherisse

HB-2477

Submitted on: 1/30/2024 5:51:22 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joseph Scardaci	Individual	Oppose	Written Testimony Only

Comments:

I oppose

HB-2477

Submitted on: 1/30/2024 6:02:17 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John Baran	Individual	Oppose	Written Testimony Only

Comments:

Hello-

I am greatly opposed to this bill and prefer the opportunity to patron small boat operators who run locally owned businesses.

Thank you,

John

HB-2477

Submitted on: 1/30/2024 6:05:14 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley Palacio-Ono	Individual	Oppose	Written Testimony Only

Comments:

As a state, this is not only a shameful bill but also one that is devastating and will have a trickle effect on more than just a business owner. What you intend to do is unconstitutional and unjust and the most wrongful way to solve the problem that the state created. To take away what was rightfully given to these individuals should not be stripped away from them because you feel there are negative effects everywhere else. All of these businesses have a heart for protecting the ocean and have so many solutions for such issues other than your suggestion. They should not be living in fear and neither should their employees and their families due to the foolish decisions of the government. I do not support this bill.

HB-2477

Submitted on: 1/30/2024 6:07:46 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley Roussel	Individual	Oppose	Written Testimony Only

Comments:

This method raises significant concerns regarding equitable access and fair competition.

An unsealed public auction could disproportionately favor larger businesses or those with greater financial resources, potentially sidelining smaller, local operators who form the backbone of our ocean recreation industry. This approach risks creating an uneven playing field, where only the highest bidders, rather than the most qualified or sustainable operators, gain access to these valuable permits.

Moreover, this method lacks transparency and may not align with the principles of fairness and inclusivity that are essential in public resource management. The allocation of ocean recreation permits should be based on a comprehensive evaluation of an applicant's ability to operate responsibly and sustainably, not merely on their financial bidding power.

I urge the committee to consider alternative methods of permit allocation that prioritize sustainable practices, local community involvement, and fair access for all operators, regardless of their size or financial capability.

HB-2477

Submitted on: 1/30/2024 6:18:05 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer	Individual	Oppose	Written Testimony Only

Comments:

Strongly oppose!

HB-2477

Submitted on: 1/30/2024 6:27:53 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bailey Morris	Individual	Oppose	Written Testimony Only

Comments:

Opposed

HB-2477

Submitted on: 1/30/2024 6:30:19 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Quintanilla	Individual	Oppose	Written Testimony Only

Comments:

This method raises significant concerns regarding equitable access and fair competition.

An unsealed public auction could disproportionately favor larger businesses or those with greater financial resources, potentially sidelining smaller, local operators who form the backbone of our ocean recreation industry. This approach risks creating an uneven playing field, where only the highest bidders, rather than the most qualified or sustainable operators, gain access to these valuable permits.

Moreover, this method lacks transparency and may not align with the principles of fairness and inclusivity that are essential in public resource management. The allocation of ocean recreation permits should be based on a comprehensive evaluation of an applicant's ability to operate responsibly and sustainably, not merely on their financial bidding power.

I urge the committee to consider alternative methods of permit allocation that prioritize sustainable practices, local community involvement, and fair access for all operators, regardless of their size or financial capability

HB-2477

Submitted on: 1/30/2024 6:31:02 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jenn Carey	Individual	Oppose	Written Testimony Only

Comments:

We strongly oppose this HB2477 due to the impact it will have on small businesses.

HB-2477

Submitted on: 1/30/2024 6:35:06 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kirsten Ramirez	Individual	Oppose	Written Testimony Only

Comments:

As a loyal customer to many small boat companies in Hawaii I feel this bill you are presenting to pass is irresponsible and wrong in all ways. You are tryIng to take jobs and careers away that so many rely on as income here in all island chains. It's greedy and I feel corrupt to present this bill thinking it's okay to strip permits away and to try to control people's livelihood so those with fortune can take over. Please do the right thing and oppose this bill you are putting hardworking families and individuals at risk of not being able to feed their families and pay their bills. This control is a common thing in Hawaii and it's time for this pattern to be stopped. To many are suffering while a small percentage are thriving. That's backwards this structure of struggle needs to stop and you have the chance to change this corrupt pattern by opposing this bill.

HB-2477

Submitted on: 1/30/2024 6:36:04 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicholas gambino	Individual	Oppose	Written Testimony Only

Comments:

No comments

HB-2477

Submitted on: 1/30/2024 6:38:58 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
becca nutsch	Individual	Oppose	Written Testimony Only

Comments:

My name is Becca Nutsch, and I am a captain, dive instructor, ocean guide in kona. I have worked for a handful of different boat companies out of Honokōhau the past decade and have loved being able to share my passion for the ocean and the wide variety of Hawaiian marine species with both visitors and residents of these islands.

I think this bill is unnecessary and inappropriate. And will absolutely negatively impact ocean recreation in Kona and across the state. As well as the livelihoods of so many individuals who, like myself, rely on the the ocean and these small businesses.

HB-2477

Submitted on: 1/30/2024 6:52:53 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Phil Snyder	Individual	Oppose	Written Testimony Only

Comments:

Opposed

HB-2477

Submitted on: 1/30/2024 7:25:19 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ckessler00@gmail.com	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

HB-2477

Submitted on: 1/30/2024 7:26:47 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rachel DeNoyer	Individual	Oppose	Written Testimony Only

Comments:

to whom it may concern:

this bill is directly affecting the small business owners who are so passionate about ocean preservation and education. Passing this bill would eliminate the small quality businesses and allow the larger corporation to come and destroy the ocean. Please remember how this has happened all throughout these islands and please stand up for the people who care about this ocean.

mahalo

HB-2477

Submitted on: 1/30/2024 7:31:02 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah Hylton	Individual	Oppose	Written Testimony Only

Comments:

There are far better ways to limit licenses than to make a dramatic limitation that will decimate small businesses. Local small business treat the ecosystem far better than the companies that would be the highest bidders. There needs to be something done to reduce the pressure on the ecosystem, but this is NOT the way to go about it. This bill must be restructured to prioritize small businesses and remove the rules for keeping permits within bloodlines or marriage. Keep permitting local and restrict foreign and recent transplants from purchasing.

HB-2477

Submitted on: 1/30/2024 7:40:32 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Aspen Morrow	Individual	Oppose	Written Testimony Only

Comments:

Opposed

HB-2477

Submitted on: 1/30/2024 7:40:54 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jasmine Davis	Individual	Oppose	Written Testimony Only

Comments:

Every year I visit your beautiful islands and look forward to the time we spend on the water. We have always used small business that actually support the Hawaiian community. Having the option to have smaller more intimate tours is what we love most about visiting. I travel there every year to escape from the commercialized, impersonal transaction of yours that plague islands such as the Caribbean which are much closer to where I call home. The heart, soul and passion all of the small business tour operators in Hawaii are what MAKE people want to come back for more day after day and year after year. These people care so deeply about the community, about the land, the sea and the animals that call it home. These small business's reflect this by educating their guests and sharing their wealth of knowledge; as many of them work with environmental organizations on island as well. This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 7:42:13 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alicia Jolley	Individual	Oppose	Written Testimony Only

Comments:

This could really hurt small buisness owners and put buisness in the hands of foreigners. Many of the companies care deeply for the ocean and educate tourist.

HB-2477

Submitted on: 1/30/2024 7:50:40 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
jesse white	Individual	Oppose	Written Testimony Only

Comments:

I would like to oppose the bill as it is written. The language in the bill does not allow for the protection current locally owned single permit holders and is solely in the benefit of DLNR to unilaterally make decisions based of what they or someone deems acceptable. This is setting precedent for big money and investors to buy up or influence permits. I do not support the bill at all.

HB-2477

Submitted on: 1/30/2024 7:57:00 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Silas Carpenter	Individual	Oppose	Written Testimony Only

Comments:

My name is Silas Carpenter

As a resident of Maui for 6 years, I oppose.

Sincerely Silas

HB-2477

Submitted on: 1/30/2024 7:58:01 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristen Kessler	Individual	Oppose	Written Testimony Only

Comments:

I oppose the bill.

HB-2477

Submitted on: 1/30/2024 7:59:43 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alapai Toulon	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express my strong opposition to House Bill 2477, which proposes a substantial increase in fees within the boating industry that is already suffering from massive inflation and increases in every good and service we utilize, making the bottom-line efforts harder by the day. Even more detrimental it has zero regard for the families of men and women who have dedicated their lives to the hard industry to build something from nothing and create a thriving operation. This bill, if enacted, would not only be detrimental to the hardworking individuals who have invested years of grit and resilience into this challenging sector but would also adversely affect local businesses and Hawaii's natural resources.

The boating industry is already facing significant challenges, and raising fees to maximum levels exacerbates the strain on those who have dedicated themselves to this field and provide a multitude of jobs to the local community. It is disheartening to witness the potential elimination of the benefits derived from the tireless efforts of individuals within the industry.

Furthermore, the proposed fee hikes pose a severe threat to local businesses in the sector, which are already grappling with the burdens of being overtaxed and overburdened. Such measures risk pushing these businesses to the brink, jeopardizing not only their livelihoods but also the economic fabric of our community.

Most concerning is the possibility of Hawaii's natural resources falling into the hands of wealthy mainland investors as the plan would be to auction off to the highest bidder. The consequences of such a shift would extend far beyond the immediate economic impact, potentially disrupting the delicate balance between local interests and the preservation of our unique environment.

I implore you to consider the long-term consequences of HB 2477 and its potential to erode the hard-won gains of the boating industry and the families that put their blood, sweat and literal tears into creating something that decades of one's existence to achieve. I respectfully request

that you oppose this bill and seek alternative solutions that support the resilience of our local economy.

Thank you for your attention to this matter, and I trust that you will make decisions that prioritize the well-being of Hawaii's residents and businesses.

Sincerely,

Alapai Toulon

HB-2477

Submitted on: 1/30/2024 8:02:50 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chandler Countryman	Individual	Oppose	Written Testimony Only

Comments:

I oppose

HB-2477

Submitted on: 1/30/2024 8:03:42 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Munning	Individual	Oppose	Written Testimony Only

Comments:

I oppose the bill.

HB-2477

Submitted on: 1/30/2024 8:04:04 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wailoa Latronic	Individual	Oppose	Written Testimony Only

Comments:

I was born and raised on the north shore. My father is a big part of the surf community, and my mother is part native Hawaiian. Even over the last ten years I have witnessed so many changes take place on this island that inhibit Oahu residents from running businesses to further support their family and community. Priority of businesses being run should be given to those who have already been loyal business owners for the last 8-10+ years, those same people who have run honest businesses with hard work and integrity. This bill will absolutely diminish the ability for small business owners to continue their work. The people who have earned their rights and paid their dues by dedicating decades of their time, day after day to their passions to serve the people of Oahu. This bill gives financial success and priority to the state, and the highest bidder, without any mind to what's right to Oahu and the people of it.

HB-2477

Submitted on: 1/30/2024 8:04:37 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Noble Brantley	Individual	Oppose	Written Testimony Only

Comments:

This bill addresses relevant issues about creating a healthy balance of law abiding boating operations taking place in Hawaii. However, page 11 lines 9-20 outlines a plan to hold an auction for licenses in over-licensed harbors. If the goal is to create a healthy environment for law abiding businesses to thrive, then auctioning off permission to the highest bidder is hardly the best way to ensure an equitable outcome for those businesses, especially those who have grown while abiding by existing legal parameters. It is unfair and unjust to suggest that those business should have to forfeit their ability to function simply because they cannot afford to outbid their neighbor. Hard working business owners should never have the rug pulled from under them so that you guys can make your rich buddies even richer. Transparent and repulsive

HB-2477

Submitted on: 1/30/2024 8:04:53 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Abigail Toulon	Individual	Oppose	Written Testimony Only

Comments:

I am writing to you as the wife of a dedicated owner within the boating industry, who has invested a substantial portion of his life in building and operating a flourishing business in our beloved state.

My husband's commitment to his business represents not only personal sacrifice but also a significant contribution to the local economy. The proposed House Bill 2477, with its substantial fee increases in the boating industry, puts his hard work and the livelihoods of many others at risk.

It is disheartening to witness the potential transfer of our family's efforts into the hands of government salaries, as this bill threatens to shift resources away from those who have dedicated their lives to building and sustaining local businesses. The increased financial burden on the working people of Hawaii, especially in an already challenging economic environment, is cause for deep concern.

I urge you to consider the human impact of HB 2477 on families like mine, who have poured their hearts into the success of their businesses. These local enterprises are not just economic entities; they are the lifeblood of our communities, providing employment opportunities and contributing to the unique fabric of our state.

In opposing this bill, I implore you to prioritize the well-being of Hawaii's working families over potential short-term gains. Together, we can find solutions that support our local businesses without jeopardizing the very essence of what makes our state so special.

Thank you for your time and consideration. I trust that you will stand with us in protecting the interests of hardworking individuals and their families.

Sincerely,

Abigail Toulon

HB-2477

Submitted on: 1/30/2024 8:10:30 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Maxine Markert	Individual	Oppose	Written Testimony Only

Comments:

HB2477 OPPOSE

Please accept the following testimony opposing bill HB2477.

I am a crew member on a commercial operator: A small, family owned business of less than 22 employees, and in business since 1984. We have earned the first and only Internationally recognized PADI Green Fins Eco-Resort designation in the State of Hawaii and have a reputation for strict ecological care and education. This bill would have a disastrous effect on our business and our employees, and all other employers like ourselves.

A public auction of Commercial permits is a terrible idea, and a terrible precedent to set on how business is to be done in Hawaii. Auction of permits, and mooring spots, to the highest bidder will price small, local businesses, many, like us, who have been doing business successfully, all permits, fees and taxes paid, in an ecologically conscious way, for decades. Will we be able to afford a permit and a mooring next year? How do we budget for that? Will our permit be swooped up by a mainland or foreign business with deep pockets, no connection to the land or culture, no local employees?

If we do get lucky enough to find enough money to out-bid other small, local businesses (because this law proposes less permits that we all fight over), then this law allows the permit to be taken away from us, with no appeal process or even reason given, for any arbitrary feeling given by DLNR, to then turn around and auction it again to the highest mainland/foreign bag of money. This is tantamount to legally creating the biggest bribery scheme and power grab, with zero legislative oversight, to a department that has had problems with the Ethics board and corruption lawsuits in the past.

HB2477 has been very thoroughly written to control the number, cost, distribution, transfer, taxation and fees of commercial operations on the ocean. It has been written to shut the State and County Governments out of any oversight, regulation, or appeal of these one-sided rules. It has been written without any partnership with local businesses, law-makers, or cultural practitioners, a practice that goes against the DLNR's own stated Mission Statement.

This money grab is hidden behind supposed concern over eco-tourism and mis-use of resources. However it auctions businesses off to the highest bidder, without any study of past history of environmental impact. These highest bidders will be mainland or foreign companies and government interests with the deepest pockets: Which means commercial fisheries, aquarium trade, and the precedent to allow foreign fisheries and shark finners, huge cruise ship companies, and private yachts. These high-bidders are exactly the companies who lack sustainability and any respect for ecological or cultural preservation.

Finally, please stop this bill and its precedent that Hawaii and its people and resources can be auctioned off to the highest bidder. There is a pattern happening with moorings, permits, harbors, land, the Ala Wai canal, Hawaiian land and homes, and the burnt out homes of Lahaina. The Legislature mustn't give over its power and public mandate to a corrupt department or business that will auction the people and resources of Hawaii off to the highest bidder, who will leave us in ashes and run gleefully to the bank.

Please remember your responsibility to the people of Hawaii and oppose HB2477. We beg of you.

HB-2477

Submitted on: 1/30/2024 8:11:57 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Novello	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because it limits the ability of Maui's Boating community to run the tours that employ Maui's citizens.

HB-2477

Submitted on: 1/30/2024 8:13:55 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Rodriguez Fuentes	Individual	Oppose	Written Testimony Only

Comments:

This legislation poses a severe threat to small, family-owned boat enterprises in Hawai'i. Revoking established permits without just cause is not only unconstitutional but also unjust. It paves the way for affluent groups and investors to further monopolize our community's businesses. The bill's enactment will exacerbate over-commercialization, leading to the displacement of thousands of hardworking individuals, including many native Hawaiians, who have dedicated their lives to building their businesses. Under no circumstances should this bill be considered.

HB-2477

Submitted on: 1/30/2024 8:21:03 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaleimaeole Latronic	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill! Give small businesses a break, it is hard enough to run a business In Hawaii. Why make it harder? We need legislation to make it easier to run a business not harder. Bills like this will kill small businesses in Hawaii.

HB-2477

Submitted on: 1/30/2024 8:22:39 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Natasha Ashley Domingo	Individual	Oppose	Written Testimony Only

Comments:

All the small business are going to get run out and become inoperable so quickly. How will towns/cities on the island be able to operate, provide jobs or function well? The state is already extremely expensive with horrible minimum wage. Please reconsider this bill.

HB-2477

Submitted on: 1/30/2024 8:31:16 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
keola latronic	Individual	Oppose	Written Testimony Only

Comments:

I grew up in Hawaii, with a Native Hawaiian heritage. Over the years, I've seen so many changes that hit local businesses hard. It's disheartening to watch residents being pushed out, as financial success seems to favor the highest bidders, disregarding the small business owners who pour their hearts into supporting the people of Hawaii. Small businesses need the support of the government not another bill making it impossible for them to survive.

HB-2477

Submitted on: 1/30/2024 8:34:55 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Camille Carnevale	Individual	Oppose	Written Testimony Only

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 8:36:49 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terry Flanagan	Individual	Oppose	Written Testimony Only

Comments:

This bill is so wrong and affects many locals. It only helps the rich and big businesses while punishing the small ones who provide the best experiences. Please do not pass this as it will put a lot of businesses and friends out of work.

HB-2477

Submitted on: 1/30/2024 8:38:44 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Heather Lobdell	Individual	Oppose	Written Testimony Only

Comments:

This bill will negatively impact local businesses and their families and for those reasons I do not support it.

HB-2477

Submitted on: 1/30/2024 8:41:47 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
CATHERINE PETERS	Individual	Oppose	Written Testimony Only

Comments:

SUBJECT: OPPOSITION FOR BILL #HB2477

CATHERINE PETERS

5837 OHE ST, KAPAA 96746

email: catherine@wailuariverkayaking.com

ph # 808-634-8059 808-821-1188

1/30/24

I am writing to express my strong opposition to Bill # HB2477 which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As a owner of a Kayak Company on the Wailua river "Wailua Kayak & Canoe" these proposed regulations would have a severe impact on our operations and potentially jeopardise our ability to remain viable.

Wailua Kayak & Canoe have had a State Permit since they were first distributed 24+ years ago. We have always followed the guidelines of our State Permit and have always paid our fees on time. Not only that but we have maintained the trails up to Secret Falls as well. This bill HB2477 will greatly affect us, by allowing a bidding process for these permits.

I understand the importance of effective ocean recreation management, and appreciate efforts to strike a balance between conservation and commercial activities. The companies that have been operating without a permit and have no regards in preserving the conservation of the Wailua River are to blame for the disregard of our Eco system on the River. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The Kayak Industry is often unfairly singled out for environmental concerns, safety issues or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the Committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry. I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this Bill.

Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely, Catherine Peters

Owner Wailua Kayak & Canoe

HB-2477

Submitted on: 1/30/2024 9:03:30 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Latronic	Individual	Oppose	Written Testimony Only

Comments:

I submit my opposition to Hb 2477. I think it's harmful to small business owners and locals who have built their livelihood around this type of career near the ocean.

HB-2477

Submitted on: 1/30/2024 9:04:16 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Captain Carlton Taniyama	Individual	Oppose	Written Testimony Only

Comments:

My name is Captain Carlton and I manage a sportfishing business in Honokohau Harbor. After having discussed the proposed bill HB2477 with my business partner/owner, we strongly believe that this bill is not only unethical and inappropriate, but will have a severely negative impact on the ocean recreational businesses - especially in Kona, as well as the rest of the State.

HB-2477

Submitted on: 1/30/2024 9:13:28 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Madeleine Greczyn	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

this bill is unfair to the people who have built their livelihood based off of permits that the DLNR issued. This is THEIR mistake, not ours. And for us to be punished from their lack of foresight is completely unacceptable. I strongly oppose this bill, the only ones to gain from this is the DLNR, in which they want to create an auction for the permits, making every tour company compete and only the DLNR to gain.

please think about the individuals and families who have made their living off of promises the DLNR gave, and only now want to recuse.

HB-2477

Submitted on: 1/30/2024 9:15:11 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Russell Keller Laros III	Individual	Oppose	Written Testimony Only

Comments:

I oppose

HB-2477

Submitted on: 1/30/2024 9:24:16 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ro O'Rourke	Individual	Oppose	In Person

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration.

HB-2477

Submitted on: 1/30/2024 9:33:29 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Seth Howse	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2477 because it is bad for small businesses and employees of small businesses.

HB-2477

Submitted on: 1/30/2024 9:38:07 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shari Sicsko	Individual	Oppose	Written Testimony Only

Comments:

Please vote no on HB2476 and 2477, Both of these bills are unfair and unjust. I am submitting this in hopes both of these house bills will get voted out immediately. I am strongly apposed to both of these bills.

HB-2477

Submitted on: 1/30/2024 9:42:54 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Danielle Burnside	Individual	Oppose	Written Testimony Only

Comments:

I do not stand for this obvious greed. This is intentionally out of ethics and it's extremely disappointing to see any individual suggest these bills. There is no integrity here or consideration to community as a whole. A living breathing community full of actual hearts souls and individuals fueled by their passions that feed themselves and their families on good faith and honest fulfilling hard work.

HB-2477

Submitted on: 1/30/2024 9:44:15 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
brick shanley	Individual	Oppose	Written Testimony Only

Comments:

This bill makes absolutely no sense. Regulation of permits needs to be sought out in a different way.

HB-2477

Submitted on: 1/30/2024 9:50:09 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Freed	Individual	Oppose	In Person

Comments:

I strongly oppose this bill because it is horrible for small business and is an obvious power grab. My partner and I waited 15 years on the commercial mooring permit waitlist to finally open our business in 2018. Our objective is not to make as much money as possible. Our objective is to share our love of fishing with the world. This bill does not carry the spirit of Aloha. This bill is based on pure greed. As business owners, we should have the right to sell our business when we are ready to retire, just as any brick and mortar business

HB-2477

Submitted on: 1/30/2024 9:56:48 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kiaora Bohlool	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-2477

Submitted on: 1/30/2024 10:01:43 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Annika Zerne Young	Individual	Oppose	Written Testimony Only

Comments:

This bill would be severely destructive to small business owners and would unjustly favor elite groups and investors. Significant increases in monthly commercial fees put small operators at risk of forced business closures. The proposed auctioning of commercial permits to highest bidders, along with the prohibition of company operators' ability to transfer their company ownership, demonstrates the extreme bias in this bill. Over-commercialization and unemployment would be likely to increase as a result of this bill, thus prompting this request for its discard.

HB-2477

Submitted on: 1/30/2024 10:02:29 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
KATRINA ZAVALNEY	Individual	Oppose	Written Testimony Only

Comments:

HB2477 – Oppose - The failure of the agency to properly enforce current protocols and rule/regulations for those not paying the appropriate fees and permits should not become the financial burden of those currently in compliance. Doubling the fees will force operators to cut back other expenses if they are able to survive, limiting business growth wage grow for our employees and further pushing people into poverty that support our maritime industries.

HB-2477

Submitted on: 1/30/2024 10:11:00 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Megan Ratoni	Individual	Oppose	Written Testimony Only

Comments:

As a spouse of a fishing charter captain In Haleiwa I oppose bill HB2477. This would cause an extreme negative impact on our small family business, as well as for so many others. Creating a dream and working so hard for something is our choice and our livelihood. Please do not pass this bill. So many would suffer loss. Please let our charter boats keep going as they do without passing this bill negatively impacting our state dramatically. Please shut down bill HB2477!

HB-2477

Submitted on: 1/30/2024 10:16:45 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jude Schwarze	Individual	Oppose	Written Testimony Only

Comments:

My testimony is the same as submitted for SB 2205. With the following. This bill is illconcieved and is a broad linguistic failure. Its purpose is unclear yet its ramifications are vastly detrimental to the island communities assisted by the permit holders and their interdependence on all aspects of our island community. Engineering is supported CAD (computer aided design), Mechanical specialists, food and beverage workers, delivery, USCG, American Red Cross Life Saving instructors, Office personnel, phone services, accounting, tax preparation, Fuel distribution providers, Parts providers, Ace Hardware retail outlets, fishing tackle sales, fish sales and distribution, boating equipment retail and wholesale providers, tax providers! This bill affects our island economy with a hideous injury. After surviving harbor closures, excess fees growth in the 100 plus percentages COVID closures, weather impacts the answer is not more hemorrhaging from the ocean access providers but responsible planning and a little providing from our leadership. You build harbors the entire boating community explicitly tells you will fail and mandate more fees due to deaf ears. Port Allen is a lake dock and the state was told so by all harbor users at the planning meeting. Repair and replace daily knowing our words fell on deaf ears. Harbor improvements are approved with much adjulation yet there is no planning nor acceptance that this is forty years in the future. If you repair and replace a restroom with one toilet, The equivalent of what was in existence 40 years ago how can the ocean access providers be held accountable for overusing a 40 year old "new " resource. Has anyone ever planned for growth? The one bowl in Port Allen states equivocally NO! A lot can happen in forty years. The least of which and the simplest is perhaps a second restroom facility. Not a whole building mind you... just another bowl to piss in.

We have survived the COVID ANAHLATION OF ANY REMAINING WEALTH. Testified to by yet another home mortgage to survive the Kawakami years on Kauai. The 6 month turned three year closures of harbor facilities and 300% fee increases only to be met with post covid inflation of another 200% in fuel, 100% rise in payroll and yes taxes, an extreme ocean user fee and that list goes on forever with parts cost, inventory, rental property etc. Criminy I pay 500/ month for trailer storage. This annihilation of my future begs to ask.. and what of the vessels? Where do they go once this execution of ownership commences? Where do all these jobless and homeless vessels go? Where do the jobless and now homeless workers and vendors go? And what of their stewards? What of the owners who lost a lifetime of struggle and investment in their lives and the lives of others in the community? Do we go to the Shelter? Do we apply for state subsidies after lifting our neighbors up and providing all that we can. Do we apply for state jobs and wait 20 years to be told it was a joke and our pensions were Annuled. Does anyone ever buy property knowing in 20 years it will be annuled and principal expunged. We are job providers and

opportunity creators not pincushions to be pricked for one more tax, one more fee. We pay hotels, concierge, online agents, local vendors and the list goes on literally throughout the community we serve, We are all in this together. One hawaiian community interdependent upon one another and we will not quit supporting and campaigning for the right to not only survive but to thrive along with our brothers and sisters on our island home.

HB-2477

Submitted on: 1/30/2024 10:25:45 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Niki Davis	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because it affects my job and livelihood as it does for so many others in the community.

HB-2477

Submitted on: 1/30/2024 10:32:32 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brook Hawkins	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE bill 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS. I disagree with the changes being proposed as it suggests stripping business owners and natives of their generational livelihoods. I see this as a DLNR issue (which is run by the state); and now the state realizes that they miss managed the availability of operational slips in the harbors and look to punish the citizens as an act of reprisal. This is WRONG in so many ways and there are very professional, legal, and environmentally friendly business that do operate within the harbors and they deserve to be protected. I believe everyone should have a right to start a business and the measures that are set in place to obtain commercial slips should stay consistent out of fairness to previous and future business owners.

HB-2477

Submitted on: 1/30/2024 10:37:24 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shawn Rotella	Individual	Oppose	In Person

Comments:

Subject: Strong Opposition to HB2477 - DOBOR Administrative Bill

My name is Shawn Rotella, and I'm writing to express my strong opposition to House Bill 2477, the DOBOR Administrative Bill. As a current permit holder engaged in commercial operations on Hawaii's waters, I cannot stress enough the severe impact this bill could have on our businesses, our families, and the community at large.

I understand that the DLNR-BOR wants to address concerns about over-commercialization, but the measures proposed in HB2477 go far beyond reasonable regulations. Instead, they threaten the very existence of our businesses and jeopardize the livelihoods of those who have dedicated their lives to building something meaningful.

One of the most distressing aspects of this bill is the attempt to limit the transfer of permits, essentially cutting off the lifeline for our businesses. By allowing transfers only within immediate family members, this bill shuts out valuable partners and restricts the potential for growth and sustainability within the industry.

The provision to auction off permits to the highest bidder upon relinquishment is a gut-wrenching proposition. It sets the stage for a cutthroat environment where financial prowess, not dedication or expertise, becomes the deciding factor. This favors the wealthy while pushing out hardworking operators who may have spent their lives on the water.

The proposed exorbitant increase in recreational mooring fees and commercial use fees, along with the introduction of new fees and charges, feels like a punch in the gut. Many operators,

especially smaller businesses, will struggle to bear these additional costs, leading to potential layoffs and the erosion of the retirement savings they've painstakingly built over the years.

The removal of the state legislature's role in determining permit numbers for each harbor or ramp, allowing DOBOR to arbitrarily choose allocations, is deeply concerning. This lack of oversight could result in an unpredictable and unstable environment, making it difficult for businesses to plan for the future.

The provision to strip 100% of commercial permits from facilities with an overage and force operators into a bidding war for reinstatement is not only harsh but unjust. It unfairly benefits DOBOR at the expense of hardworking operators who stand to lose not just their businesses but potentially everything they've worked for.

Furthermore, the elimination of the waitlist for permits adds insult to injury. This change disregards the aspirations of those patiently waiting their turn, making it even more challenging for new businesses to emerge.

In conclusion, HB2477 is not just extreme; it's a potential catastrophe for the countless operators who have poured their sweat and dedication into building their businesses. I implore the committee to reconsider these provisions, engage with industry stakeholders, and develop regulations that are fair, empathetic, and supportive of the businesses that form the backbone of our maritime economy.

Thank you for taking the time to consider the heartfelt concerns of the commercial operators and their families.

HB-2477

Submitted on: 1/30/2024 10:44:54 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Matthew Kent Gorman	Individual	Oppose	Written Testimony Only

Comments:

I started Deep Sea Sportfishing in 2013. We are a small business but it supports our family. We run a six pack charter fishing boat and take customers to target Ahi, Marlin, Ono, and Mahi Mahi out of Haleiwa Small Boat Harbor. We are extremely busy over the summer months and holidays but have a huge dip in revenue during the winter months when storms shut us down. I can pay the current fees that are required by the DLNR...but the new proposed fees are impossible for a Six pack charter boat. It will be the ending of an era for the whole state. Also if our permit was taken away and we were forced to bid in an auction for it we would have no chance. We couldn't compete with the companies that have larger COI Vessels that take bus loads of customers every day. I don't believe my business has a large environmental impact (on harbor and natural resources) and my customers are quality over quantity. I don't believe the new problem that has developed is related to what I do.

Please contact me with any question thanks for your attention.

Matt Gorman

deepsea.Haleiwa@gmail.com

808-551-3775

HB-2477

Submitted on: 1/30/2024 11:16:04 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Taylor Pocock	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill as it will only hurt small charter businesses. I work on a boat charter and would like to remain to do so.

HB-2477

Submitted on: 1/30/2024 11:50:18 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kaitlyn Reitz	Individual	Oppose	Written Testimony Only

Comments:

This bill will completely destroy small family boat businesses operating in Hawai'i. Taking people's permits away without valid reason after they have already been established is completely unconstitutional and wrong. This bill will only make room for elite groups and wealthy investors to take over even more businesses in our community. The over-commercialization will worsen with this new measure and it will unemploy thousands of people who have worked so hard their entire lives to create their businesses, many of whom are native Hawaiian. In no way should this bill be taken into consideration. As someone who spends a lot of time in the water, when I look at companies to take a tour with I always look for small tours who provide a personal and more importantly ethical experience that only locally run small businesses can provide, the likes of which will be completely wiped out should this bill be enacted.

HB-2477

Submitted on: 1/31/2024 12:26:59 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Theodore Hoogs	Individual	Oppose	Written Testimony Only

Comments:

Mahalo for taking the time to read my testimony.

As a second generation boater based out of Honokohau Harbor on the island of Hawaii in Kona I strongly oppose proposed bill HB 2477. I oppose mooring fee/gross percentage rate increases along with commercial operating permits proposed to be non transferrable.

My Father, Mother, siblings and I have been fishing commercially offshore and operating our vessels as charter boats for big game fishing and various commercial activity for over 50 years. We have bought and sold numerous commercial permits as our business has expanded and downsized through the years. We have done so with confidence because of the States long standing boating rules.

Many individuals including myself have spent much of our time and made substantial investments obtaining commercial permits and maintaining business operations with the trust in the States boating rules. By changing the rule to not allow transfer of a commercial operating permit from a sale of our Corporation will make our permit loose value literally overnight. This will be devastating to hundreds of business owners, investors and the broad local boating community of operators.

Thank you for reading my concerns regarding this bill, I sincerely ask for your support to oppose HB 2477.

Aloha,

Capt. Teddy Hoogs

808-936-5168

Elizabeth Leinbach
73-1160 Mahilani Dr
Kailua Kona HI 96740
(808)-987-2527

January 30, 2024

Linda Ichiyama – Water and Land

Linda Ichiyama,

This is opposition regarding Hawaii Bill No. 2474, 2476, and 2477. All these bills as written intend to greatly restrict not only commercial activities regarding Hawaiian waters, but also the Hawaiian economy. I find it interesting and noteworthy that these bills are presented by a 'random' rather than a person willing to stand behind their beliefs. As a full time USCG captain and business owner each of these bills would have a detrimental effect on not only my family, and ability to maintain my business, but also the multiple people I employ and our contributions to the non-profit community here in Kona.

Over the 20 years I have been in the commercial boating industry, I have seen the commercial ocean industry grow and change. Many native operators have joined the industry here on Hawai'i Island, many hard-working people have started up small business in hopes of making something for themselves in retirement, millions of tourists have had lifechanging experiences with our wildlife and have become ambassadors for ocean conservation and marine preservation. I would hate to see all that change and be compromised by the above bills.

HB2477- OPPOSITION

"In relatively quick timeframe over recent years, commercial ocean activity has substantially increased such that there is an over-commercialization in many areas around the state, to the detriment of ocean users and marine natural resources." This problem was brought about by the state legislature back in the 2000's with the opening of moratorium on commercial permits to boost the economy. THERE IS NO REASON that the business who are lawfully operating on officially obtained permits should have to worry about their permit being revoked due to over permitting: 200 – 10(h) Also, at least on the island of Hawai'i, permits were given to people with NO ocean experience regarding tour operation and animal etiquette. This was detrimental to the Manta Ray industry as well as the Dolphin industry. By auctioning off permits you are opening the door for foreign investors to come in and abuse the 'Āina, this is already happening in the housing market.

Furthermore, companies who have built up a successful business in the last decade and expect to use the sale of said business to fund their retirement like, Sunshine Drinks, Anderson Air, Highland Construction, HAWAIIAN AIRLINES, should have to have that income now in jeopardy. Our snorkel and dive business are worth nothing without the commercial permit attached to them. This effects several thousand people across the state and puts an unnecessary burden on our social security system for people who thought they would have a retirement but are now faced with poverty.

I can understand and empathize with the importance of conservation regarding our wonderful ocean resource, for without the Hawaiian waters and their resources, we wouldn't have an

effective occupation. I also realize the importance for an efficient balance between recreational and commercial ocean activities. The current bills as written greatly hinder my business, livelihood, and future, with very little impact on the recreational ocean goers. Commercial operators are often unfairly blamed for a variety of issues regarding ocean conditions. Snorkel and Dive operators are often unfairly singled out for environmental concerns, safety issues, and animal influence that are either simply untrue or completely out of our control. As a colleague put it "These bills unfairly place the burden on our (snorkel and dive) industry without considering the broader context and the shared responsibility of all stakeholders."

Thank you for considering this testimony and I hope we can revise these bills to be mutually beneficial.

With Aloha,

Elizabeth Leinbach

Elizabeth Leinbach

HB-2477

Submitted on: 1/31/2024 4:48:09 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Smith	Individual	Oppose	Written Testimony Only

Comments:

To whom it may concern,

I am writing to express my strong opposition to Hawaii Bill 2477. While I acknowledge the importance of addressing certain issues within our community, I believe that this particular bill poses significant concerns that must be carefully considered.

One of my primary concerns is the rate increase proposed. This increase will most certainly put a lot of small tour operators out of business. These businesses offer a more personalized education of Hawaii's ecosystem and create stewards of the land and sea, in which I personally have been positively affected by. Small businesses are the heart and soul of Hawai'i, and not having them around will surely be a detriment to Hawai'i.

In conclusion, while I recognize the need for legislative measures to address various challenges, I firmly believe that Hawaii Bill 2477, in its current form, raises significant issues that require careful reconsideration. I urge you to take into account the certain affect passing this bill will have on small businesses, and the potential biases established before moving forward with this legislation.

Thank you for your consideration.

HB-2477

Submitted on: 1/31/2024 4:53:19 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Carly Powell	Individual	Oppose	In Person

Comments:

Hello, My name is Carly Powell.

I want to thank the chair and members of this committee for allowing me the time to testify before you today. I oppose bill HB2477.

I am and Captain and crew with the company Blue Ocean Adventures operating out of Kikialoa Harbor on the west side of Kauai.

HB 2477 states that a permit holder can not sell their business to whom they please. It states that it will go to auction. The only way to pass the bill off is to give it to a spouse or a first generation lineal descendant. This eliminates the business owners ability to make an independent decision about what happens to their company. Businesses are built from the ground up, these people put everything they have on the line and dedicate their entire lives to what they are passionate about, and if this bill passes, it strips them of being able to sell and retire. This will destroy what so many of us have been working so hard to create and maintain.

This bill will shut down business that have been operating for years. It will destroy so many careers and opportunities in our local community.

This is why I oppose bill HB 2477.

Thank you chair and members again for taking the time to listen to my testimony.

HB-2477

Submitted on: 1/31/2024 5:19:15 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel Hazen	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

This is one of the most impactful bills proposed in recent memory. Unfortunately, it's impact will be remarkably negative to the state, it's small business owners, their families, and the environment.

To auction off permits to the highest bidder creates opportunity for the ultra wealthy, corporations, and those that do not live in or care for the state of Hawaii. There are no better steward of our oceans than those that rely on them, appreciate them, and grew up in their waters.

The exodus of Hawaii's residents will continue if we allow such bills to pass. How will our small business owners provide for their families? Once they are unable to provide, where will they go?

Again, with moderate regulation, Hawaii's local residents will continue to care for our islands and their waters. With extreme regulation like HB2477, Hawaii's local residents will be forced out and we will once again return to the days of foreign influence without regard for our environment.

PLEASE, FOR ALL OF HAWAII AND ITS LOCAL RESIDENTS, RECONSIDER THIS BILL.

Mahalo,

Daniel Hazen

HB-2477

Submitted on: 1/31/2024 6:23:30 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
chelsea toia-vaas	Individual	Oppose	Written Testimony Only

Comments:

Testimony:

This method raises significant concerns regarding equitable access and fair competition.

An unsealed public auction could disproportionately favor larger businesses or those with greater financial resources, potentially sidelining smaller, local operators who form the backbone of our ocean recreation industry. This approach risks creating an uneven playing field, where only the highest bidders, rather than the most qualified or sustainable operators, gain access to these valuable permits.

Moreover, this method lacks transparency and may not align with the principles of fairness and inclusivity that are essential in public resource management. The allocation of ocean recreation permits should be based on a comprehensive evaluation of an applicant's ability to operate responsibly and sustainably, not merely on their financial bidding power.

I urge the committee to consider alternative methods of permit allocation that prioritize sustainable practices, local community involvement, and fair access for all operators, regardless of their size or financial capability.

HB-2477

Submitted on: 1/31/2024 6:30:06 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark cogbill	Individual	Oppose	Written Testimony Only

Comments:

As a current Captain of 5 years in Hawaiian waters, born and raised on these islands. I DO NOT support both HB2477 and HB2476. This legislature will impact my family, my business and everything I have worked hard to achieve.

mahalo nui loa for not passing it.

HB-2477

Submitted on: 1/31/2024 6:38:30 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley A Lindsay	Individual	Oppose	Written Testimony Only

Comments:

Dear Hawaii State Legislators,

This bill is incredibly extreme. DOBOR should not be allowed to indiscriminately choose at RANDOM the number of commercial permits allowed. As a community we already pay outrageous fees for commercial permitting, but to swipe existing permits and have operators now bid against one another (companies that have been working side by side for decades) is appalling. This bill, if passed, would allow all existing permits to be stripped and auctioned off to the highest bidder.

There are current waitlists for commercial boat permitting in place, this bill would also remove that.

Nothing about this bill helps any company or anyone in the community.

I stand amongst my colleagues to oppose this nonsensical bill.

HB-2477

Submitted on: 1/31/2024 6:45:06 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Evan Valiere	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Evan Valiere. I strongly oppose this bill. This is an extreme over reach for control. There are systems in place to protect these areas. I encourage the enforcement office to continue using the regulations as they are.

Thank you,

Evan

HB-2477

Submitted on: 1/31/2024 6:50:18 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chrystie Vasquez	Individual	Oppose	Written Testimony Only

Comments:

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community.

Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

HB-2477

Submitted on: 1/31/2024 6:53:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Luigi coscarelli	Individual	Oppose	Written Testimony Only

Comments:

Subject: 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS.

Luigi Coscarelli
111 Nokahea Loop #305
Kihei, HI 96753
Luigicosca@aol.com
(808)250-4363
01/31/2024

Dear Wal and to all other Committee members,
RE: Bill 2477 HB : Commercial ocean recreation operations

I am writing to express my strong opposition to [Bill 2477 HB : Commercial ocean recreation operations], which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As a Boat captain/Operator and thrill-craft user, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

As an individual who enjoys life on the water leisurely and as Captain/Operator; this bill would have huge ramifications in the long haul to the local community. I have worked on Ka'anapali for over 20 years on Boats and Thrill-crafts. This bill would take away from the hard working individual who take pride and joy working these beautiful shores. We already have stringent operational rules due to seasonal blockades and ORMA's and of course mother nature . So to take away weekends and holidays would take away from hard-working individuals who sometimes have to work 2-3 plus jobs already. it would also affect the locals as they also work M-F jobs and would enjoy to have activities to partake on such occasions.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The Captains and thrill-craft operators are often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community.

Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Luigi Coscarelli; Captain & Manager of Kaanapali Beach watercraft

HB-2477

Submitted on: 1/31/2024 6:59:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Megan Coscarella	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. This bill kills jobs and will have a ripple effect throughout the state on the thousands of businesses that support the charter industry.

HB-2477

Submitted on: 1/31/2024 7:22:58 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rachel Dailey	Individual	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS

Rachel Dailey

Lahaina, HI

01/31/2024

Chair Linda Ichiyama

House Committee on Water and Land

Dear Chair Ichiyama,

RE: 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS

I am writing to express opposition to 2477 HB RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS.

Sincerely,

Rachel Dailey

HB-2477

Submitted on: 1/31/2024 7:26:35 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christiana Hetzel	Individual	Oppose	Written Testimony Only

Comments:

This bill would be catastrophic to many small businesses here & would effectively put them out of business & cause tremendous loss of jobs in the industry. Many of these employees would be unable to find other employment & would be forced to leave the island. In addition, many of us locals enjoy going on these ocean safaris as well, & the price increase that would result from passing this bill would prevent us from enjoying our oceans. It's not only tourists that scuba dive & go on ocean safaris, it would impact all ocean & wildlife loving locals as well! The only ones that would benefit from this bills would be wealthy foreign investors as well as a couple of the less scrupulous companies currently operating here, while those actually engaged in citizen science & conservation would be forced out. Please, I urge you not to pass this truly awful bill!

HB-2477

Submitted on: 1/31/2024 7:27:27 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
leon H loewenstine II	Individual	Oppose	Written Testimony Only

Comments:

As a small business operator in Haleiwa, I am tremendously opposed to HB 2477 and 2476.

I understand the need to start to restrict the number of new commercial permits, but it is totally unreasonable and unfair to destroy current small business commercial operators by increasing commercial fees from 3% of gross revenues to 6% plus increasing fees from \$1.50 per passenger to \$3 per passenger. No one operating a commercial permit in Haleiwa is getting rich. Most are barely getting by and now you want to double the cost of our permits to continue to operate. I know of no business in HI that pay 6% of their gross revenues for a permit to operate PLUS \$3 per passenger. And this is just for a permit, this cost has nothing to do with the income tax we pay on the small profits of our business.

Again, to double the tax for permits on GROSS Revenues - not net revenues or net income is so radical that you will just crush our business.

We beg you to seriously reconsider this issue and to oppose this bill.

Again, if you want to restrict NEW permits going forward that is one thing but to crush existing businesses that have been operating in Haleiwa for years just makes no sense.

Thank you for your time and I hope you will seriously oppose this proposed legislation.

Leon

HB-2477

Submitted on: 1/31/2024 7:48:11 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Zac Spowart	Individual	Oppose	Written Testimony Only

Comments:

For your consideration:

I've been an avid supporter of smaller local ocean businesses on Hawaii for over a decade. Having visited the islands 2-4 times per year and having a father who grew up on the islands I've connected with them as a part of the foundation of my life. The ocean of Hawaii is unlike any other place in the world. Experiencing it in a small business fashion is what helps maintain its integrity. To allow for larger corporations to come in and outbid the smaller businesses that have previously existed, and presently exist, is not only disrespectful to the current legacy of those who have created and built the industry today, but it wipes out the integrity of the island, its people, and pushes away the last bit of Aloha remaining on island. Small business is what keeps America alive. Don't sell out and crush the greatest part of Hawaiian spirit, its ocean and its small businesses that look after it. Kaimana, Sea through Sea, many whale watching and manta tours all rely on your decision. And that's just big island alone and a handful of names. If this is passed there's a good chance you kill off a great many of your brothers and sisters on island as well as the experiences those would've had with these smaller businesses. Please hear this and honor it. Do not pass this. Thank you

HB-2477

Submitted on: 1/31/2024 7:49:35 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Valentin Neamtu	Individual	Oppose	Written Testimony Only

Comments:

All of the bills in this hearing are blatant cash and power grabs by the DLNR and BLNR but this one is really egregious. This is basically a squeeze where the DLNR can hold permits hostage and make commercial boating companies pay more than they would normally. It also gives the DLNR way too much power in determining the cost and distribution of commercial licenses. This regulation benefits larger boat companies with more capital and directly hurts smaller boat companies as well as promoting corruption in which the DLNR is the party with most to gain. This bill makes it very evident that the DLNR does not value the safety of the resources that they are responsible in protecting and care only about extorting commercial boat companies for more money

HB-2477

Submitted on: 1/31/2024 7:57:20 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Maren Anka	Individual	Oppose	Written Testimony Only

Comments:

House Committee on Water and Land

Dear Chair Ichiyama,

RE: _HB 2477

I am writing to express opposition to auction for commercial Ocean permits

Sincerely,

Maren Anka

HB-2477

Submitted on: 1/31/2024 7:59:11 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
abigail nulty	Individual	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for HB2477

Abbi Nulty
Lahaina, HI
01/31/2024

Chair Linda Ichiyama
House Committee on Water and Land

Dear Chair Ichiyama,

RE: HB 2477

I am writing to express opposition to HB2477.

Sincerely,

Abbi Nulty

Oppose HB2477 and SB3166

Aloha,

I am writing to give testimony against Bill HB2477 and SB3166. I live on Big Island where my husband own a company that was started in 1991 by his father. We took over the company in 2022. A local family supported by our company with hopes it will put our kids through college, support of dream of home ownership and either be passed on if our kids decide to continue or sold one day to support what our life looks like when our kids are grown.

Bill HB2477 and SB3166 would crush our small family's business. The 600% increase in monthly fees would bankrupt a local family with in the year. That is \$10,000 dollars a month adding up to \$120,000 dollars in fees to DOBOR for the year. That's more than I pay in State taxes, Federal taxes and wages combined.

Bill HB2477 and SB3166 would strip away any and all value in a company our family built from the ground up. What is a company without its permits? Any business would cease to exist if we aren't able to sell our company with the permits. I would love for one of my children to continue the business after us, but that choice shouldn't be made for us or them. It would mean when we are 65 looking to retire we would be left with pieces of a business to sell and not a fully operational company. Our life's would be severely impacted but DOBOR gets the right to then auction off the permits to the HIGHEST BIDDER. That is another grab for Hawaii being sold out to foreign or mainland companies that have the funding available to out bid the local community already struggling to make end meet.

Bill HB2477 and SB3166 give to much power to DOBOR to take way permits for reasons they deem as "may endanger the health and safety of passenger or the public". Allowing DOBOR to "take 100% of any and all commercial permits from harbors with overages and have existing commercial operators bid against each other for the permits to remain in business". It's barbaric and unethical.

I have worked on the water in Hawaii since my senior year at UH HILO. I have seen the changes that have taken place in commercial activities in Kona. It went

from three boats at the Keauhou manta sight, where everyone knew everyone and we all shared hot chocolate and soup after we finished washing the boats. Fast forward to 10 years ago when DOBOR created this problem by giving out more commercial permits than were allowed. They did not go by the book, they made up their own rules, they created new permits “ocean permits” and never brought it before the board. They gave these “ocean permits” to new to the island mainland businessman to start a company and bring in overpriced boats. Boats they can now use to run business on any island in any harbor for any number of boat for one fee. When we have to have multiple permits for multiple boats and pay a fee for each. DOBOR can’t even monitor illegal commercial activities that pay no fees to the State. They are behind in enforcing illegal advertisements for boat tours on websites like “Get my Boat”.

HB2477 and SB3166 will effectively destroy local family run businesses. It will impact local families, employees, communities and multiple generations. We want to protect our natural resources and special environment we have on the island. We want to share it with future generations and how important it is to be a sustainable company and follow sustainable practices. These bills are not a way to do that.

Mahalo,

Andrea Gutierrez

HB-2477

Submitted on: 1/31/2024 8:08:19 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brooke reyes	Individual	Oppose	Written Testimony Only

Comments: I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill falls to consider the practical implications on businesses, which are unfairly targeted and constantly blamed for various issues. I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

HB-2477

Submitted on: 1/31/2024 8:11:39 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Andersen	Individual	Oppose	Written Testimony Only

Comments:

My wife and I are small business owners of Kona Charters, Inc. This proposed bill would decimate the sportfishing industry in Hawaii and in Honokohau Harbor. Our commercial permit is directly tied to our company. Without ownership of our commercial permit our businesses would be effectively worthless. Please do not allow this to become law. Thank you very much.

Aloha Dave and Janet Andersen

Kona Charters, Inc.

HB-2477

Submitted on: 1/31/2024 8:15:28 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
victoria martocci	Individual	Oppose	In Person

Comments:

Subject: Opposition Testimony for HB2477 Relating to Commercial Ocean Recreation Operations

Victoria Martocci
Lahaina, HI
01/31/2024

Chair Linda Ichiyama

House Committee on Water and Land

Dear Chair Ichiyama,

RE: HB2477 Relating to Commercial Ocean Recreation Operations

I am writing to express strong opposition to HB2477 Relating to Commercial Ocean Recreation Operations.

We should support locally owned small businesses like these to keep investing in their business, where the language of this bill would undermine the value of long term investment that generates deep roots in Hawaii. A healthy, resilient community includes community owned, local, small business.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony.

Sincerely,

Victoria Martocci

HB-2477

Submitted on: 1/31/2024 8:26:10 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Yester	Individual	Comments	In Person

Comments:

I just found out about Bill 2477 and I intend to go to the public hearing on February 1, 2024. My son and I have jumped through all the hoops required to register our commercial business with the State of Hawaii. We have been on the commercial waiting list for over 5 years, perhaps as long as 7 years paying the slip fees on a recreational slip. We were told by the Harbormaster that in order to obtain a commercial slip we must already have a recreational slip that will be converted in to a commercial slip once our name comes up on the waitlist. We are next in line for a commercial slip, and have waited patiently doing what the Harbormaster told us. During that time I have seen existing commercial businesses buy commercial permits from other people that have a commercial slip and not have to wait at all. Now Bill HB2477 is proposing that commercial slips will be made available by public auction. All this seems completely unfair. As we have played by the existing rules paying to be on the commercial slip waitlist for some time now. We have invested over \$ 350,000 to build a boat , money to hire a lawyer to form a LLC and have watched bigger companies with more money jump ahead of us by buying up all the existing commercial permits.If the commercial slips are converted to public auction and just go to the highest bidder what about us and all the other boaters that have been waiting for a commercial slip to become available? How can one or two companies own 25% of the 20 commercial slips available in Haleiwa Harbor? How can we ever get a commercial permit if you can just buy one and bypass all of the rules? I'm a retired City worker with over 30 years of service and my son is a Federal Firefighter. We don't have the deep pockets to purchase a commercial slip that has been selling as high as \$250,000. It's a broken system and I have seen it get abused and it's not fair to the people with less means who have waited years and years to get a commercial slip .

HB-2477

Submitted on: 1/31/2024 8:26:30 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tim Honderick	Individual	Oppose	In Person

Comments:

This is a bad bill. Please do not allow to advance in any way

HB-2477

Submitted on: 1/31/2024 8:29:06 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ken Middleton	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I just became aware of HB2477 3 days ago and am shocked at its contents. The draconian dictates of who we can sell to or internally reconfigure our business is over the top. I have spent the last 35 years building a business on the water, with blood, sweat and tears. To have the legislature and DLNR-DOBOR pursuing legislation to eliminate my constitutional rights to transact with a party of my choosing is beyond my comprehension. This is America, land of the Free, not Russia, Cuba, or Communist China. I and many others like me in the boat charter industry are responsible for providing the living for thousands of personnel, entertaining on the water tens of thousands of visitors and kamaaina. Rules like you are proposing will undermine small business in Hawaii Stop meddling with free enterprise and the American Dream.

Other aspects of the bill are equally troubling. Hammering small business on the water for additional fees like 6% of gross or \$2000/month appear to be unconstitutional. The boat charter industry in Hawaii is not your honey hole. The financial burden we shoulder to operate safely and legally is already onerous. Insurance, fuel, personnel, vessel acquisition, vessel maintenance, USCG compliance. liquor commission compliance and current State use fees are substantial. Your recent passage of a \$1/passenger tax "Ocean Conservation Fee" is typical. It's a huge bookkeeping headache and in 5 years doesn't go away but is diverted to the General Fund.

Closures, reallocation and bid-ups are not appropriate or legal either. This round of legislation appears to be a power/money grab by the State of Hawaii and specifically DLNR-DOBOR. Have some respect for the boat charter industry. We're not your doormat. Thank you listening.

Sincerely,

Capt Ken Middleton

HB-2477

Submitted on: 1/31/2024 8:29:37 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Aria Juliet Castillo	Individual	Oppose	Written Testimony Only

Comments:

Permit system should not be sold for auction. It will allow corporate and foreign investors to take all the opportunity away from local residents and small business owners.

HB-2477

Submitted on: 1/31/2024 8:37:11 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Capt. J D DuShane	Individual	Oppose	Written Testimony Only

Comments:

oppose

HB-2477

Submitted on: 1/31/2024 8:37:23 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Miranda Miller	Individual	Oppose	Written Testimony Only

Comments:

Subject: Opposition Testimony for HB2477

Miranda Miller

15 Papahi Loop

Kahului, HI 96732

mirandaleigh.paints@gmail.com

413.281.9918

1/31/24

Rep. Linda Ichiyama, Chair

COMMITTEE ON WATER & LAND

430 VIA VIDEOCONFERENCE

Dear Rep. Linda Ichiyama,

RE: HB2477

I am writing to express my strong opposition to HB2477 RELATING TO COMMERCIAL OCEAN RECREATION OPERATIONS, which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. THOSE PERMITS ARE ASSETS TO THE COMPANY AND HAVE GONE HAND IN HAND WITH OWNING THE COMPANY. THE PERMITS ARE OWNED BY THE ESTABLISHED COMPANY THAT HAS ALREADY BEEN PAYING DUES AND TAXES TO THE STATE TO USE THOSE PERMITS. IT IS WRONG TO JUST HAVE THAT ASSET OF THE COMPANY STRIPPED OUT OF OUR HANDS AND BE RESOLD TO THE HIGHEST BIDDER. As a CHARTER

SAILING COMPANY, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

As a charter sailing business, we rely on tourism throughout the entirety of the year, weekends and holidays included. In order to make the money we need to keep the business successfully operating and having enough to pay harbor fees and taxes to the state, we need to be able to operate as many days possible. There are certain times of the year that are slower than others so being able to operate 7 days a week helps.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The RECREATIONAL BOAT CHARTER INDUSTRY is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Miranda Miller

Dive Instructor, First Mate

Kapalua Kai Sailing

HB-2477

Submitted on: 1/31/2024 8:41:16 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Klayton Kubo	Individual	Oppose	Remotely Via Zoom

Comments:

Oppose

HB-2477

Submitted on: 1/31/2024 8:44:09 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tori Cullins	Individual	Oppose	Written Testimony Only

Comments:

Aloha and Mahalo,

I owner of Wild Side Specialty Tours operating here since the late 90's strongly oppose Bill HB2477

In accordance with HVCB to Malama Hawaii, we have kept our boat charters small (limited to six passengers), respectful and giving back through citizen science and- contributing to conservation and protection and lessening impact to the resource.

Through our photo identification efforts in collaboration with Cascadia Research Collective, we were have co-authored publications regarding population parameters of Hawaii's marine mammals. Including facilitation of the granting of Endangered Species status to the Hawaiian false killer whale.

We have discovered new whale sharks and oceanic manta rays; tracked marine debris, ghost nets and coral bleaching; identified individual humpback whales, freed honu from fishing lines. All and regularly while out on our small group tours.

I, as the sole and female owner of WIld Side have not made profit these past years due to Covid shut downs, increased fees, Hawaii market still slumped due to expense, boat maintenance etc but have continued to 'go forth' and have had a couple papers published. NOt sure how long this can be sustained with proposed rise in cost of doing business.

Now at retirement age, and since my children have dedicated careers in teaching, nursing and mechanics (sadly not on my boat), it appears retirement will not be possible. Nor, can I sell my business I've nutured since the late 90's - nor can I pass it on to treasured employees, equally hard working.

I'd be happy to address this bill in a working group, or...? But do please send it back to the drawing board and give time for proper user input.

Sincerely and thank you,

Tori Cullins

William Aduja
williamaduja@gmail.com

To: House Committee on Water and Land
Hon. Linda Ichiyama, Chair
Hon. Mahina Poepoe, Vice Chair

Re: HB 2477 RELATING TO COMMERCIAL OCEAN RECREATION
OPERATIONS

Hearing: Thursday, February 1, 2024, 9:00 a.m, Room 430 & videoconference

Position: Strong Opposition

Aloha, Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee on Water and Land:

My name is William Aduja. I am a U.S. Coast Guard certified licensed boat captain. I am a young, 25-year old, entrepreneur struggling to start my own boat cruise business while accepting boat captain jobs on a rolling, as needed bases, for various small business boat cruise operations at state harbors. I strongly oppose HB 2477. This bill (1) specifies that DLNR can issue new ocean recreation commercial use permits by unsealed public auction; (2) revises provisions relating to boating and ocean recreation fees and permits; and (3) specifies how commercial use permits may be issued where a permit limit has been exceeded.

This bill is short-sighted. It only sees a source of profits for the State, while ignoring the many important needs of the fishing and ocean recreation communities, which are, in the long run, important sources of value to the State and, especially, its people.

While I strongly advocate for conservation and protection of near-shore coral reefs and tropical reef fish, I also acknowledge the importance of small businesses, job security, food security, fishing culture, and sensitive traditional Hawaiian practices and culture during a time where one's financial and economic livelihood do not commensurate with Hawaii's high cost of living.

HB 2477 will have numerous adverse effects in local small businesses that comprise the ocean recreation commercial community, namely:

1. **This bill will adversely impact existing businesses.** Permittees who have invested time, effort, and resources into their businesses will face significant losses when their permits are auctioned off to the highest bidder. These small businesses will lose their established customer bases, trained employees, and valuable goodwill established over many years of service. Auctioning permits would force existing operations out of business, causing a major disruption in livelihoods, thus leading to job losses.
2. **Contrary to DLNR's belief, this bill lacks fairness and equity.** Permit auctions will favor larger, wealthier entities with greater financial resources. Smaller

operators, local businesses, and next generation young entrepreneurs will struggle to compete in such auctions. In the case of smaller, younger operators, a private sale by the permittee would be a more equitable transfer process as the permit will be sold to a qualified buyer without the uncertainties of an auction and the risk of being outbid by a larger, wealthier entity that does not necessarily share the same respect and aloha for ocean resources and ecosystem as small local business owners.

3. **This bill fails to account for Community Impact.** Ocean recreation businesses play an important role in local communities. These small local businesses provide jobs, contribute to the tourism industry, and enhance the overall economy in generally small, local shoreline fishing towns and villages. Auctioning permits would disrupt the very fabric of these small communities and lead to negative social and economic consequences.
4. **This bill will create unintended consequences.** Permit auctions will not lead to better management or reduce overcrowding. Instead, permit auctions will favor speculative buyers or large corporations rather than those genuinely committed to sustainable environmental practices.
5. **This bill will cause a government taking without just compensation.** These sudden changes in permit regulations will catch many businesses off guard and create a negative business climate and uncertainty in an island-state where the business climate is already exasperated. This bill appears to be a naked attempt by the State, through the DLNR, to seize a source of funds and profit from taking the rights of small boat owners to retain the value of the slips that they have held and maintained. The U.S. Supreme Court has held that government cannot take property without just compensation as guaranteed by the Fifth Amendment of the Constitution. Where the state is auctioning off permits that were previously held by private individuals, the previous permit holders can argue that they are entitled to just compensation for the loss of their property rights, especially where such regulations are NOT made in the public interest. Whether this bill is constitutional will depend on the balance between the public interest and the property rights of the permit holders.

In addition, please bear in mind that the US District Court recently held unconstitutional a Honolulu ordinance that purported to prevent short-term vacation rentals. The State should not be engaging in activity like this that might result in another legal battle and legal loss.

6. **Rather than having the Legislature pass a bill that will have an adverse effect on the small business boating community, let all stakeholders in conjunction with DLNR look into better alternative solutions.** Rather than auctioning permits to force unfair business closures, DLNR with the voice of the community should explore alternative solutions to address overcrowding and competition for harbor amenities. Here are just a few suggestions that will help to alleviate these issues without jeopardizing and irrationally closing active, often owner-operated small boating businesses causing job displacement where such businesses contribute widely to society by providing a valuable service while paying their fair share in fees and taxes:

- A. Implementing better management practices,
- B. Improving access by constructing more boat ramps and parking facilities,
- C. Improving in amenities such as clean public restrooms and efficient wastewater treatment facilities
- D. Optimizing scheduling between commercial vessels, subsistence fishing vessels, and recreational vessels,
- E. Require off-site customer check-ins to make getting in and out of the water more efficient,
- F. Shut down commercial operations one day a week,
- G. Establish a harbor management board with voices from the commercial boating, recreational boating, and fishing community to workshop problems and implement solutions,
- H. Require tour boats to adhere to an on-loading and off-loading schedule to avoid crowding and conflict, and
- I. Ban on-site boat washing for commercial vessels.

Stakeholders and the community can surely come up with additional suggestions when given a seat at the table to devise “win-win” alternative solutions without eliminating livelihoods and job security for members in the community.

A balance between the public interest and the interest of small business owners has to be weighed and met so that all stakeholders will not be adversely affected by the permit auctions that DLNR seemingly considers fair and transparent. A permit auction, clearly is not fair or transparent when balanced with the **loss of the small business owner’s economic interests and property rights** in (1) their financial, economic value of their business, including equipment, vessels, sports gear, food and beverage supplies, marketing efforts, public relations, customer relations and business goodwill; (2) **loss of employment opportunities** and avoidance of **job displacement** of their trained and skilled employees in ocean safety, conservation, environmental coral reef and marine life protection and sustainable ecosystems, where jobs will be lost due to permit auctioning; and (3) **loss of continuous service** by ocean recreation operators that the tourist industry, local restaurants, and island communities rely on for economic growth, sustainability and financial, economic security.

DLNR must look to alternative solutions to overcrowding and competition for harbor amenities by improving upon harbor management, use scheduling, and efficiency of amenities rather than implementing permit auctioning which will lead to the cessation of local small business operations to the community’s detriment by larger commercial operations that can easily outbid young entrepreneurs, like myself, and small mom and pop operations. It is essential to balance these goals with the well-being of existing businesses and local communities to find a fair and sustainable solution that considers all stakeholders.

For all these compelling reasons, when balancing the public interests and the interests of ocean recreation commercial permit owners, we **MUST NOT** implement permit auctions when currently, there are better, readily available, alternative solutions to overcrowding and competition for harbor amenities that **WILL NOT** jeopardize the property rights and financial interests of ocean recreation small business owners and their employees.

Thank you for the opportunity to testify.

William Aduja williamaduja@gmail.com
U.S. Coast Guard certified Boat Captain

HB-2477

Submitted on: 1/31/2024 8:46:44 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jonny Riggs	Individual	Oppose	Written Testimony Only

Comments:

Oppose

HB-2477

Submitted on: 1/31/2024 8:49:38 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sands Dyer	Individual	Oppose	Written Testimony Only

Comments:

RE: [HB2477]

I am writing to express my strong opposition to HB2477, which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As a Commercial Catamaran Touring Company, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The Lahaina boating industry is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Sands Dyer, President, Gemini Sailing Charters

HB-2477

Submitted on: 1/31/2024 8:54:27 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Tooley	Individual	Oppose	Written Testimony Only

Comments:

The passage of 2477 would destroy so many small businesses by illegally recinding rights these family business and small businesses have had for decades. A government taking of these rights would result in devestating losses to generations of hawaiian families.

PLEASE do not support 2477 and more importantly send a clear message to those who proposed this bill that it should NEVER BE PROPOSED agsin. Put an clear and definitive end to this attempt by misidrected beaucrats who are clearly interested only in destroying hawaiian small businesses.

HB-2477

Submitted on: 1/31/2024 8:56:46 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cynthia A. Farias	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members of the Committee:

As an attorney who has represented commercial tour boat operators in Hawaii for a number of years, I submit this testimony in strong opposition to HB 2477. While the measure appears to be well-intentioned, in fact it is grossly unfair to local individuals and tour businesses who contribute significantly to our local economy. These contributions can be measured in terms of tax dollars paid to the State, as well as lasting memories for our visitors which keep them returning to Hawaii.

Most notably, the lack of transferability of the commercial use permit (CUP) will cause a catastrophic devaluation of the commercial enterprises. Many owners purchased their businesses in reliance upon State law that allows the transfer of the CUP. They have invested time and resources in maintaining and building their companies. Now, should any owner want or need to sell, without the CUP these businesses have little to no market value. Of course, this situation raises constitutional questions of whether this is a regulatory taking.

Allowing the transfer of the CUP to a spouse or linear first generation descendant appears arbitrary and certainly discriminatory to owners who are unmarried and have no children. Moreover, in the event of a death of an owner or shareholder, the transfer of the individual's interest in the business will result in the termination of the CUP unless there is a spouse or child. This provision may raise further constitutional challenges.

While proponents of the bill may argue that a public auction for CUPs levels the playing field and allows individuals and companies to enter the business, in fact this process will only benefit wealthier owners and make it impossible for smaller "mom and pop" operations to obtain permits.

Finally, regarding the fee schedule, commercial operations which use vessels usually get revenues based upon the number of passengers. Having a fee based upon gross revenue and a charge per head is unfair and redundant.

Thank you for the opportunity to present this written testimony.

Cynthia A. Farias, Attorney at Law, 841 Bishop Street, Suite 1099, Honolulu HI 96816 Ph: (808)220-5137, email cfarias@cwlfirm.com

Rochelle Thorp
roshell1206@gmail.com

To: House Committee on Water and Land
Hon. Linda Ichiyama, Chair
Hon. Mahina Poepoe, Vice Chair

Re: HB 2477 RELATING TO COMMERCIAL OCEAN RECREATION
OPERATIONS

Hearing: Thursday, February 1, 2024, 9:00 a.m, Room 430 & videoconference

Position: Strong Opposition

Aloha, Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee on Water and Land:

My name is Rochelle thorp. I am a young, 28-year old, entrepreneur struggling to start my own boat cruise business while accepting boat jobs on a rolling, as needed bases, for various small business boat cruise operations at state harbors. I strongly oppose HB 2477. This bill (1) specifies that DLNR can issue new ocean recreation commercial use permits by unsealed public auction; (2) revises provisions relating to boating and ocean recreation fees and permits; and (3) specifies how commercial use permits may be issued where a permit limit has been exceeded.

This bill is short-sighted. It only sees a source of profits for the State, while ignoring the many important needs of the fishing and ocean recreation communities, which are, in the long run, important sources of value to the State and, especially, its people.

While I strongly advocate for conservation and protection of near-shore coral reefs and tropical reef fish, I also acknowledge the importance of small businesses, job security, food security, fishing culture, and sensitive traditional Hawaiian practices and culture during a time where one's financial and economic livelihood do not commensurate with Hawaii's high cost of living.

HB 2477 will have numerous adverse effects in local small businesses that comprise the ocean recreation commercial community, namely:

1. **This bill will adversely impact existing businesses.** Permittees who have invested time, effort, and resources into their businesses will face significant losses when their permits are auctioned off to the highest bidder. These small businesses will lose their established customer bases, trained employees, and valuable goodwill established over many years of service. Auctioning permits would force existing operations out of business, causing a major disruption in livelihoods, thus leading to job losses.

2. **Contrary to DLNR's belief, this bill lacks fairness and equity.** Permit auctions will favor larger, wealthier entities with greater financial resources. Smaller operators, local businesses, and next generation young entrepreneurs will struggle to compete in such auctions. In the case of smaller, younger operators, a private sale by the permittee would be a more equitable transfer process as the permit will be sold to a qualified buyer without the uncertainties of an auction and the risk of being outbid by a larger, wealthier entity that does not necessarily share the same respect and aloha for ocean resources and ecosystem as small local business owners.
3. **This bill fails to account for Community Impact.** Ocean recreation businesses play an important role in local communities. These small local businesses provide jobs, contribute to the tourism industry, and enhance the overall economy in generally small, local shoreline fishing towns and villages. Auctioning permits would disrupt the very fabric of these small communities and lead to negative social and economic consequences.
4. **This bill will create unintended consequences.** Permit auctions will not lead to better management or reduce overcrowding. Instead, permit auctions will favor speculative buyers or large corporations rather than those genuinely committed to sustainable environmental practices.
5. **This bill will cause a government taking without just compensation.** These sudden changes in permit regulations will catch many businesses off guard and create a negative business climate and uncertainty in an island-state where the business climate is already exasperated. This bill appears to be a naked attempt by the State, through the DLNR, to seize a source of funds and profit from taking the rights of small boat owners to retain the value of the slips that they have held and maintained. The U.S. Supreme Court has held that government cannot take property without just compensation as guaranteed by the Fifth Amendment of the Constitution. Where the state is auctioning off permits that were previously held by private individuals, the previous permit holders can argue that they are entitled to just compensation for the loss of their property rights, especially where such regulations are NOT made in the public interest. Whether this bill is constitutional will depend on the balance between the public interest and the property rights of the permit holders.

In addition, please bear in mind that the US District Court recently held unconstitutional a Honolulu ordinance that purported to prevent short-term vacation rentals. The State should not be engaging in activity like this that might result in another legal battle and legal loss.

6. **Rather than having the Legislature pass a bill that will have an adverse effect on the small business boating community, let all stakeholders in conjunction with DLNR look into better alternative solutions.** Rather than auctioning permits to force unfair business closures, DLNR with the voice of the community should explore alternative solutions to address overcrowding and competition for harbor

amenities. Here are just a few suggestions that will help to alleviate these issues without jeopardizing and irrationally closing active, often owner-operated small boating businesses causing job displacement where such businesses contribute widely to society by providing a valuable service while paying their fair share in fees and taxes:

- A. Implementing better management practices,
- B. Improving access by constructing more boat ramps and parking facilities,
- C. Improving in amenities such as clean public restrooms and efficient wastewater treatment facilities
- D. Optimizing scheduling between commercial vessels, subsistence fishing vessels, and recreational vessels,
- E. Require off-site customer check-ins to make getting in and out of the water more efficient,
- F. Shut down commercial operations one day a week,
- G. Establish a harbor management board with voices from the commercial boating, recreational boating, and fishing community to workshop problems and implement solutions,
- H. Require tour boats to adhere to an on-loading and off-loading schedule to avoid crowding and conflict, and
- I. Ban on-site boat washing for commercial vessels.

Stakeholders and the community can surely come up with additional suggestions when given a seat at the table to devise “win-win” alternative solutions without eliminating livelihoods and job security for members in the community.

A balance between the public interest and the interest of small business owners has to be weighed and met so that all stakeholders will not be adversely affected by the permit auctions that DLNR seemingly considers fair and transparent. A permit auction, clearly is not fair or transparent when balanced with the **loss of the small business owner’s economic interests and property rights** in (1) their financial, economic value of their business, including equipment, vessels, sports gear, food and beverage supplies, marketing efforts, public relations, customer relations and business goodwill; (2) **loss of employment opportunities** and avoidance of **job displacement** of their trained and skilled employees in ocean safety, conservation, environmental coral reef and marine life protection and sustainable ecosystems, where jobs will be lost due to permit auctioning; and (3) **loss of continuous service** by ocean recreation operators that the tourist industry, local restaurants, and island communities rely on for economic growth, sustainability and financial, economic security.

DLNR must look to alternative solutions to overcrowding and competition for harbor amenities by improving upon harbor management, use scheduling, and efficiency of amenities rather than implementing permit auctioning which will lead to the cessation of local small business operations to the community’s detriment by larger commercial operations that can easily outbid young entrepreneurs, like myself, and small mom and pop operations. It is essential

to balance these goals with the well-being of existing businesses and local communities to find a fair and sustainable solution that considers all stakeholders.

For all these compelling reasons, when balancing the public interests and the interests of ocean recreation commercial permit owners, we **MUST NOT** implement permit auctions when currently, there are better, readily available, alternative solutions to overcrowding and competition for harbor amenities that **WILL NOT** jeopardize the property rights and financial interests of ocean recreation small business owners and their employees.

Thank you for the opportunity to testify.

Rochelle thorp

HB-2477

Submitted on: 1/31/2024 8:58:36 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Haines	Individual	Oppose	Remotely Via Zoom

Comments:

The proposed fee increases for commercial operators are extreme. The gross revenue fee rate is literally double, which is bad enough, but for small operators the \$2000 minimum monthly fee (up from as little as \$300) is completely unreasonably and will be unfeasible. This will crush small businesses and eliminate the small local owner-operators in favor of the larger and more destructive companies.

For those able to keep paying, where will this extra money go? We have already seen a 50% increase in the permit fees in the years I have been operating legally and responsibly, and there has been a 0% increase in services provided by the Department. Facilities are not maintained, DLNR is still apparently understaffed, and there is zero law enforcement. We follow the rules and pay our fees, yet every day watch illegal competitors do whatever they want with no risk and at no cost.

Not being able to transfer permits is another small business killer. A process and certain requirements could be fair, but only allowing transfer to a spouse or offspring is a ridiculous and overly restrictive. For small small business owners, selling the business for someone else to take over is a planned and reasonably expected part of retiring. A business without the necessary permits to operate is not marketable to sell. Are owner operators supposed to simply close up shop with nothing in return for the years of hard work they put into building something? Hawai'i already makes it hard for small businesses, as it is. Is the goal to completely snuff them out?

The reasoning provided for proposing these changes is valid, but this will not achieve that goal. This will only only result in fewer legitimate operations and more illegal ones.

HB-2477

Submitted on: 1/31/2024 8:59:09 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Suelang Watson	Individual	Oppose	Written Testimony Only

Comments:

PLEASE ACCPET THIS AS MY WRITTEN TESTIMONEY TO STRONGLY OPPOSE BILL HB2477.

To all those trying to pass this unjust, nonsensical bill, please understand that by passing this bill you will seriously impact many people's ability to earn a living out on the ocean.

I myself work as a boat captain and deckhand crew on multiple 6-pack vessels out of the tight-knit community at the Kawaihae South Harbour. All of those vessels are small, "mom and pop" family-run operations. Due to the unstable nature of the 6-pack charter tourist industry, just like my husband and I, most Captains and crew there interchangeably work on multiple vessels to make a living. We already struggle to make ends meet and keep ourselves in full-time employment. If Bill HB2477 is passed, the results would be devastating for all of us. Increasing all commercial use fees to \$2,000 per month or \$3 per passenger plus 6% of gross revenue, whichever is greater will have a crushing impact on all my employers who work extremely hard to maintain upstanding businesses that employ hardworking, conscientious, ocean-loving people such as myself and my husband.

This unethical bill being introduced appears to be completely subjective and not based on any properly researched facts. At a minimum, any bill passed that will have such a hugely negative effect on we, the people, must be based on an environmental and community assessment. The extreme terms being used in this bill need to be tested and fact-based and not based on subjective "feel facts". Surely it is obvious that fact-based issues related to commercial operators should be solved with solutions that work for not just the state but also the commercial boating permit holders. This bill takes an axe to solvable issues and gives the state the ability to unfairly discriminate at will against commercial boating permit holders.

I, SUELANG WATSON, STRONGLY OPPOSE BILL HB2477.

HB-2477

Submitted on: 1/31/2024 9:00:10 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jarrold Smith	Individual	Oppose	Written Testimony Only

Comments:

PLEASE ACCPET THIS AS MY WRITTEN TESTIMONEY TO STRONGLY OPPOSE BILL HB2477.

To all those trying to pass this unjust, nonsensical bill, please understand that by passing this bill you will seriously impact many people's ability to earn a living out on the ocean.

I myself work as a boat captain and deckhand crew on multiple 6-pack vessels out of the tight-knit community at the Kawaihae South Harbour. All of those vessels are small, "mom and pop" family-run operations. Due to the unstable nature of the 6-pack charter tourist industry, just like my husband and I, most Captains and crew there interchangeably work on multiple vessels to make a living. We already struggle to make ends meet and keep ourselves in full-time employment. If Bill HB2477 is passed, the results would be devastating for all of us. Increasing all commercial use fees to \$2,000 per month or \$3 per passenger plus 6% of gross revenue, whichever is greater will have a crushing impact on all my employers who work extremely hard to maintain upstanding businesses that employ hardworking, conscientious, ocean-loving people such as myself and my husband.

This unethical bill being introduced appears to be completely subjective and not based on any properly researched facts. At a minimum, any bill passed that will have such a hugely negative effect on we, the people, must be based on an environmental and community assessment. The extreme terms being used in this bill need to be tested and fact-based and not based on subjective "feel facts". Surely it is obvious that fact-based issues related to commercial operators should be solved with solutions that work for not just the state but also the commercial boating permit holders. This bill takes an axe to solvable issues and gives the state the ability to unfairly discriminate at will against commercial boating permit holders.

I, SUELANG WATSON, STRONGLY OPPOSE BILL

HB2477.

HB-2477

Submitted on: 1/31/2024 9:00:26 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Damon Little	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. This is an egregious move by the powers that be to squeeze out small charter businesses in Hawaii. Allowing bidding will let all commercial permits end up in the hands of the wealthy, thereby continuing to destroy the already waning middle class in Hawaii. This is embarrassing, you should be ashamed to even be considering it.

HB-2477

Submitted on: 1/31/2024 9:09:09 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joy Loewenstine	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2477. This bill will crush small business operators. It is already extremely difficult to bring in enough revenue from a small business to be able to live in the state of HI with such a high cost of living. Furthermore, the proposal on how to deal with any current "excess" numbers of permits will put some out of business destroying their livelihood and those that work for them.

HB-2477

Submitted on: 1/31/2024 9:24:02 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Derik Broadnax	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill as it would a negatively impact my, and many of my friends' livelihoods.

Derik Broadnax

HB-2477

Submitted on: 1/31/2024 9:24:39 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Madison Hampp	Individual	Oppose	Written Testimony Only

Comments:

The passing of this bill would negatively effect every single individual working in Hawaii's harbors. What is being proposed is nothing more than a money grab. It will leave local, family owned businesses left with no where to turn. Limiting the commercial use permits is unnecessary, extreme and a reckless money grab.

HB-2477

Submitted on: 1/31/2024 9:30:25 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Renee Street	Individual	Oppose	Written Testimony Only

Comments:

Renee Street, 178 Hale St, Lahaina, HI 96761

renee_street@hotmail.com

31 January 24

Dear Legislative Committee,

RE: Opposition Testimony for HB2477

I am writing to express my strong opposition to HB2477, which proposes significant restrictions on commercial ocean activities in state waters, particularly on weekends and holidays. As a Scuba Diving Professional, these proposed regulations would have a severe impact on our operations and potentially jeopardize our ability to remain viable.

I have been an Open Water Scuba Instructor for the past decade. I have had the pleasure of working in a number of countries including Honduras, Indonesia, Samoa, Thailand, and Malaysia. Several years ago I returned to the United States to work in Maui. I joined Dive Maui in Lahaina, Hawaii and have been working there for over two years. Together with the owners, we have worked to create a successful scuba training facility helping to train not only recreational divers but also dive professionals. Always as a part of these courses, we emphasize conservation and ocean protection. We aim to create ocean ambassadors who will spread the word to others on saving and protecting the ocean and the importance of Hawaii in that mission.

We have been fortunate to have steady customers year around, without a measurable high or low season. Even during the pandemic, scuba diving was bringing tourists to Maui. This tourism brings money, jobs, and helps to cement Hawaii's reputation as a worldwide premier tourist destination.

In addition, between December and April, Dive Maui operates daily whale watching trips. I work as a whale naturalist on these trips. This business not only brings in tourists to Maui. But also educates thousands of people each season on the importance of conserving and protecting our ocean. We speak at great length about whales, the ocean, and the role of humanity in protecting both. Therefore, limiting, restricting or ending Dive Maui's ability to educate and train the public

will have a detrimental effect on tourism, conservation, and the public's perception of Hawaii's role in ecotourism.

I understand the importance of effective ocean recreation management, and I appreciate efforts to strike a balance between conservation and commercial activities. However, the current language of the bill fails to consider the practical implications on businesses like mine, which are unfairly targeted and constantly blamed for various issues.

The scuba industry is often unfairly singled out for environmental concerns, safety issues, or other challenges that are not solely within our control. While we are committed to responsible practices, this bill unfairly places the burden on our industry without considering the broader context and the shared responsibility of all stakeholders.

I urge the committee to reconsider the proposed restrictions and work towards a solution that accommodates the interests of both conservation and the local business community. Collaborative discussions with stakeholders could lead to a more balanced approach that achieves the intended goals without unfairly scapegoating our industry.

I would appreciate the opportunity to further discuss my concerns during any upcoming hearings or meetings regarding this bill. Thank you for considering my testimony, and I hope that we can find a mutually beneficial resolution.

Sincerely,

Renee Street

Open Water Scuba Instructor, and Course Director

Dive Maui, Lahaina, Hawaii

HB-2477

Submitted on: 1/31/2024 9:37:25 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua Tjarks	Individual	Oppose	Written Testimony Only

Comments:

As a resident of Hawai'i, born and raised and also a small business owner, although this bill does not affect me directly, it affects a lot of people I know, and will seriously affect some good friends and their livelihood. There are so many issues with this proposal that are quite frankly just unfair to those that it will affect. Not only would affect those that I know, it would also majorly affect so many of their employees. Looking at the main points of the bill, it seems pretty clear that dobor is trying to get their hands on the financial opportunities that this bill would provide them, without any real care as to who it will majorly affect. Anyone that has these permits had to pay good sums of money for them, thinking that they would be able to recoup those, in a lot of situations as a retirement. Not only will they not be able to do that, but some of them may lose their ability to operate entirely. I strongly oppose this bill.

HB-2477

Submitted on: 1/31/2024 10:12:44 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
sean	Individual	Oppose	Written Testimony Only

Comments:

I you are taking away local jobs

HB-2477

Submitted on: 1/31/2024 10:17:18 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
SUSAN M VERMILLION	Individual	Oppose	Written Testimony Only

Comments:

This Bill will destroy many small businesses in the States Harbors that have been in business for decades. There are other ways of removing commercial operations. Raising fees is only going to prevent operators from staying in business

HB-2477

Submitted on: 1/31/2024 10:17:42 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Dakil	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB2477 because it **violates the US and Hawaii Constitution**. Furthermore, the charter fishing commercial permits have decreased in number, not increased - therefore the intent of this bill to reduce the commercialization of ocean recreation is simply incorrect when it comes to the charter fishing industry commercial permits.

The bill is also way over reaching and should be killed and sent back to the drawing board to target the actual problem sector, and not the entire commercial permit universe.

IF there is any redeeming value in this bill - which I can't find - then at the very least, the charter fishing sector should be carved out and removed IF the bill can be amended, to target only those sectors who are actually over commercialised.

Mahalo for the opportunity to testify.

Capt. Michal Dakil

Island Anglers Inc.

HB-2477

Submitted on: 1/31/2024 10:22:53 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Candice Lecroix	Individual	Oppose	In Person

Comments:

Aloha,

I am writing in opposition of Bill 2477.

This bill is detrimental to small businesses and local families across the state. Passage of this bill will force the closure of countless small businesses and cause hardship on local families who rely on this industry to feed their families.

While small businesses lose everything they have worked for, large companies will profit and be able to monopolize the industry.

I will speak more in detail in person.

Mahalo,

Candice

HB-2477

Submitted on: 1/31/2024 10:23:59 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Millett	Individual	Oppose	Written Testimony Only

Comments:

Why exactly does the DLNR think that it can make it so marine business's are the only business that can't be transfered in the state? We will bring class action suits in this matter and easily prevail on discrimination alone. This is a foolish bill that accomplishes nothing but miring the state in endless lawsuits.

HB-2477

Submitted on: 1/31/2024 10:31:15 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
WILLIAM MIDDLETON	Individual	Oppose	Written Testimony Only

Comments:

This bill is not serving to reduce commercial activity as written, it is serving to cater to larger companies (who run larger tours with more tourists per day and more impact) at the detriment of the smaller operators who will see the largest financial impact. Rather than focusing on the quantity of permits, consider limiting the excessive usage (heavy impact utilization) of the permits. Is the state looking to support small business or encourage more activity from huge boats with hundreds of guests? I personally would much rather our infrastructure cater to safer, small group size (higher guide to guest ratio), community friendly businesses.

HB-2477

Submitted on: 1/31/2024 10:31:50 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Windler	Individual	Oppose	Written Testimony Only

Comments:

This bill would effect my job, and I may lose it if this bill passes. Please oppose this bill

HB-2477

Submitted on: 1/31/2024 10:46:58 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ezra wansor	Individual	Oppose	Written Testimony Only

Comments:

Opposed. A bill designed to kill business. Obviously created by the anti tourism sentiment. This group cannot control our legislation.

HB-2477

Submitted on: 1/31/2024 1:09:21 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ken Cherry	Individual	Oppose	Written Testimony Only

Comments:

I very strongly oppose!

HB-2477

Submitted on: 1/31/2024 2:51:12 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Anela Kealakai	Individual	Oppose	Written Testimony Only

Comments:

Hello, and thank you for allowing me to speak today. My name is Anela and as an elopement and wedding photographer, I collaborate closely with boat companies to create special experiences for couples in Hawaii. I am here to express my opposition to HB2477, which proposes issuing new ocean recreation commercial use permits through an unsealed public auction.

- **Impact on Collaborative Ecosystem:** The proposed auction system could significantly impact the small boat companies I work with. These businesses provide unique and personalized experiences essential to my photography services. If these companies can't afford to bid for permits, it could limit the variety of experiences I can offer to couples.
- **Risk to Authentic Local Experiences:** The charm and appeal of Hawaii's ocean activities lie in their authenticity and local flavor, often provided by smaller boat operators. An auction system favors larger businesses with deeper pockets, risking the loss of genuine Hawaiian experiences that are crucial for my photography sessions.
- **Economic Ripple Effect:** Restricting permits to the highest bidders could lead to a ripple effect, harming ancillary businesses like mine. As a wedding photographer, my work is interlinked with various local services, including boat companies. A reduction in these services could directly impact my business and, by extension, the local economy.
- **Concerns Over Fairness and Equity:** The auction-based approach may create an uneven playing field, where only financially strong companies can secure permits. This is particularly concerning for maintaining a diverse and vibrant ocean recreation sector, which is a significant aspect of my photography business.
- **Alternative Solutions:** Instead of an auction system, I propose a merit-based permit allocation that considers factors like environmental stewardship, safety records, and contributions to the local community. This approach would help ensure that permits are distributed fairly and that the ocean recreation industry remains diverse and inclusive.

In conclusion, while I support the need for effective regulation of ocean recreation activities, I believe HB2477, in its current form, could inadvertently harm small local businesses and, consequently, the services I rely on as a wedding photographer. I urge reconsideration of this bill to protect the interests of small businesses and the unique cultural experiences they provide.

Thank you for considering my perspective on this important matter.

HB NO 2477

This proposal effectively pulls the rug of financial stability out from under every compliant marine commercial permit holder in the state of Hawaii. Instead of taking responsibility for their mismanagement, DLNR is threatening the livelihood of citizens who are directly contributing to the economy of Hawaii.

Purpose of Act Page 2

1. fees are increased 100% - what department/state agency can effectively manage a 100% budget increase and why do they need it in the 1st place. A proposed budget with variances from current spending levels and detailed plan for use of additional funds should be provided. Is DLNR's mandate to generate max revenue?
2. Preventing permit transfer is punitive and destroys continuity in the businesses that serve and provide for the States residents and visitors. My assumption is with a thoughtful approach there are other ways to limit permits to sustainable levels ie. First knowing how many "extra" permits and where they are, will bring clarity to the breadth of the claimed issue. Then potentially limiting days operators can use permit, are some operators part time can those operators combine permits are just a couple of ideas - I am sure mutually beneficial solutions can be reached.
3. Public auction – My issue with this concept for new permits being issued is that it concentrates permits in the hands of the wealthy. Additionally banks will finance new businesses- boat purchase etc. they will not finance a permit that has an unknown price. Again is DLNR's mandate to generate Max revenue? Permits are provided to citizens who then use the permit to build and grow businesses serving the general good and broadening the tax base. Also based on current claimed state of affairs I have concerns that the department is capable of actually managing total permits being issued effectively – as this proposed bill is proof they believe they didn't get it right.
4. Hunger games scenario for areas that DLNR has deemed too many permits issued. Before the DLNR takes permits=businesses away from hard working citizens a more thoughtful analysis of options that serve the collectives best interest as opposed to just DLNR – the agency- should be taken.

Justification Sheet - comments

The justification for this proposal according to DLNR (paragraph 1) is 1. rapid expansion of commercial activity in a relatively short period of time, 2. leading to overuse of state

boating facilities,3. strain on natural resources, and 4. conflicts between recreational and commercial ocean users.

1. How did commercial activity rapidly expand? DLNR controls the issuance of commercial permits -correct? I do not understand how commercial activity could expand rapidly if DNLR did not permit it – what am I missing? If they did permit it – who is holding DLNR accountable?
2. Overuse of state boating facilities is claimed without evidence that this is caused by permitted users who were given permits by DLNR. If so then why did DLNR over issue permits?
3. Strain on natural resources. What is the evidence of this strain and what is the evidence of this strain being caused by commercial activity vs recreational activity. Relative to marine environments my belief is commercial operators are more concerned and conscious about protecting the marine environments because their livelihood depends on it - recreational users have no such concerns.
4. To reduce conflict between recreational and commercial ocean users. Where is the evidence of this conflict? When and where is it occurring? No evidence is presented in the proposal. Additionally if there truly is conflict why are commercial users to blame. They are operating within the scope of their permits, if not their permits can be revoked. Why is DLNR singling out the commercial users?

Paragraph 2&3 DLNR wants to stop transfer of permits through sale of entities in which permit sits. DNLR claims need to reduce number of permits and their plan for reduction through attrition isn't happening.

I would like to see a table that listed areas under DLNR jurisdiction, amount of permits outstanding, targeted amount of permits, attrition rate by year for past 5 years. This will give a size a scope of problem DLNR says it has. The proposal is draconian in its effect on the citizens who have been lawfully operating business, serving the people and visitors to Hawaii. Permit operators create value in multiple ways for our economy, by serving tourists, employing residents, paying taxes and fees. Permit holders create value for themselves through earned profits and the sale of business they took the risk to create. Disallowing the sale of the business in my estimate has far greater impact on the states coffers than the gain the state (more specifically DLNR) receives from auctioned permits as DLNR proposes. If commercial businesses aren't allowed to be sold all employees of permit holder will be terminated- the state will lose payroll taxes. The state will lose on capital gains taxes from sale. The DLNR is not truthful is stating there

is no effect on the general fund – a detailed analysis of potential revenue loss needs to be considered.

Paragraph 4 “the fairest method that provides the best return to the State is to auction new commercial use permits under these circumstances”.

I find it interesting DLNR uses “State” and not the common good, or the best interest of our citizens. Per previous paragraph my rough assessment is DLNR has not performed a thoughtful analysis of the various revenue streams the state receives from permit holders, thus their statement “provides the best return to the State is potentially inaccurate. I would request a thoughtful and detailed analysis. “for areas or facilities where limit is exceeded” as stated above a table detailing all areas under management, permits issued, desired permit limit, annual attrition rates for last 5 years -would bring more clarity than blanket proposal to create a **hunger games** scenario for current permit holders. Additionally this method doesn’t account for quality of operation and/or contributions to the economy, community or environment, only who has the most money. This proposed method isn’t only unfair it specifically benefits the wealthy and does not consider the time, work effort and energy these permit holders have contributed to build their businesses. The DLNR proposing to have the ability at their whim to takes businesses from their owners and auction them back.

Paragraph 5 Impact on public – The claim is the bill will reduce conflict between commercial and recreational users. what is the evidence of conflict between commercial users and recreational users? A table of incidents and the date and location of these incidents overlaid with the previous table mentioned would shed light on what is really going on in our ocean.

DLNR doesn’t consider the lost tax revenue, the impact on quality operations and the ability to serve the state residents and tourists that their proposal will have

Paragraph 6 Impact on department or other agencies – the proposal claims it brings clarity – in reality it hangs the Sword of Damocles over the heads of all permit holders while striking down the many that aren’t wealthy enough to outbid their neighbors.

HB-2477

Submitted on: 1/31/2024 3:32:44 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Gamble	Individual	Oppose	Written Testimony Only

Comments:

Aloha--

I oppose this measure. I have long time friends that have spent a lifetime building their fishing business and this bill would jeopardize that equity. I understand the DLNR is trying to reduce over-fishing, but I don't think recreational fishing is the problem. Furthermore, but not allowing a brand to include a permit upon sale of its business to another entity, all the equity that has been gained over time through quality service is lost. Please explore other ways to reduce permits that doesn't include limiting what small recreational fisherman do with their permit upon sale.

Mahalo,

Paul

HB-2477

Submitted on: 1/31/2024 3:45:43 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Randall Emry	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose

HB-2477

Submitted on: 1/31/2024 4:21:04 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kai Hoover	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because I feel like this is letting the wolf into the henhouse the reason for the over commercialization is do to mismanagement by DOBOR and DLNR and now they want to punish everyone for their mistakes and want us to trust them to do right by everyone I feel like this will do nothing to really help over commercialization because when permits go up for bid chances are they bids will be won by the larger commercial operators I also feel that if passed this will probably lead directly to the end of the Kona Charter Fishing fleet as we know it The whole reason Kona even has harbors was the fishing fleet we are already a slowly dying industry being displaced by big money commercial eco tour operations and big money private owners coming in and buying permits who have no intent to do charters. I feel like a more effective way to manage over commercialization would be to ensure that all operations that hold commercial permits are actually chartering and operating the way they are supposed to be and not just sitting by idly on their permits taking up space. Also you could make limited entry permits for the manta and other dive operations which has been discussed before and make those permits non-transferable because that is where the real conflict, over commercialization and injuries and deaths have happened

HB-2477

Submitted on: 1/31/2024 4:26:08 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Hind Jr	Individual	Oppose	Written Testimony Only

Comments:

This is Not gonna help our economy. I am Hawaiian and taking charters out fishing is How i make a living. Think How much you are gonna affect the people.

**House Of Representatives
The Thirty-Second Legislature
Regular Session Of 2024**

**Representative Linda Ichiyama, Chair
Representative Mahina Poepoe, Vice Chair
Committee on Water & Land**

**Representative Cory M. Chun
Representative Sonny Ganaden
Representative Mark J. Hashem
Representative May Besario Mizuno**

**Representative Dee Morikawa
Representative Gregg Takayama
Representative Kanani Souza**

Lauren Rapoport
Resident of Hawaii
856-904-0789
448 Ulupaina Street Kailua, HI

Written Testimony for the Decision February 1, 2024 at 9:00am
State Capitol Conference Room 430
415 South Beretania Street
Honolulu, Hawaii 96813

Testimony in Opposition of HB 2477

My name is Lauren Rapoport and I am a Masters in Social Work student at the University of Hawaii at Manoa and a resident of Kailua. I was trained as a PADI and SSI divemaster and am an avid scuba diver and ocean lover. I have a deep concern that this bill would put many of the small dive companies that I love in Hawaii out of business. These businesses are run by people who do so much to protect our oceans and aina. They educate their customers to respect and care for the ocean and inspire a love for the ocean. They employ environmentally friendly practices. I fear that small, responsibly owned and operated ocean related businesses are who would suffer the most from this bill. It is already so difficult to survive financially on the salary from an ocean related industry in Hawaii; I am afraid that this bill would cause Hawaii to lose many of its residents that do the most to care for our ocean. In addition to educating customers during their time at work, employees of small dive companies spend their time off doing marine biology research, underwater trash cleanups, beach cleanups, and invasive species removal. They are

integral members of our community. Please consider small businesses and their employees in your decision making process; I urge you to oppose HB 2477.

Respectfully,

Lauren Rapoport

**House Of Representatives
The Thirty-Second Legislature
Regular Session Of 2024**

**Representative Linda Ichiyama, Chair
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Committee on Water & Land**

**Representative Cory M. Chun
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**Representative Dee Morikawa
Representative Gregg Takayama
Representative Kanani Souza**

Connor Graham
Resident of Hawaii
856-904-0789
448 Ulupaina Street Kailua, HI

Written Testimony for the Decision February 1, 2024 at 9:00am
State Capitol Conference Room 430
415 South Beretania Street
Honolulu, Hawaii 96813

Testimony in Opposition of HB 2477

My name is Connor Graham and I am a resident of Kailua. I regularly scuba dive and love the ocean. I am concerned that this bill would put many of the small dive companies that I love in Hawaii out of business. These businesses are owned by people who have a passion for marine life and care about the health of coral reefs. A main part of their job is educating their customers to respect and care for the ocean and incorporating environmentally friendly practices. I believe that small, environmentally friendly businesses would be put out of business by this bill. I ask you to oppose HB 2477.

Sincerely,

Connor Graham

HB-2477

Submitted on: 1/31/2024 9:52:11 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeremy Selg	Individual	Oppose	Remotely Via Zoom

Comments:

I strongly oppose this bill. Building a business over the course of a career and not being able to sell that business in a free market is a direct assault on the free enterprise that our country was founded upon. Without a spouse or kids to pass my business along to this leaves me no opportunity to transfer my business.

HB-2477

Submitted on: 1/31/2024 10:17:04 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nohealani Watts	Individual	Oppose	Written Testimony Only

Comments:

My testimony is to oppose bill HB2477. This bill allows the department to "issue new commercial use permits by public auction". This leaves the opportunity for small businesses to be outbid by any larger entity. A local person hoping to make it in Hawai'i will not be able to compete in a competition of highest bidder. The current situation is to apply and give it time. Big business doesn't see profit if they have to wait. Save commercial use permits for those who will take the time to invest in their future. There will be no Hawai'i without kamaaina. This bill will shoulder out our opportunities.

HB-2477

Submitted on: 1/31/2024 10:19:35 PM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Danielle Eakins	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB2477 as a gross governmental overreach. The massive increase in permit/operating fees will directly decimate small businesses while acting a money grab from larger commercial operations. This will not preserve natural resources, but rather, encourage the survival of large operations only. Furthermore, preventing the transfer of commercial permits with business sales except to spouses and descendants is an egregious undercutting of business value that owners have continually paid for and cultivated.

HB-2477

Submitted on: 2/1/2024 7:29:57 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christine Wellert	Individual	Oppose	Written Testimony Only

Comments:

Good morning. I would like to submit my opposition to HB 2477. While the current system in place is not perfect it does allow small, independent operators to provide ocean experiences to our visitors and our locals. This bill proposes to raise harbor mooring fees astronomically-maiming it nearly impossible for small businesses to afford to pay, thus putting them out of business.

The idea of phasing out permits for moorage in certain harbors and then opening that space up to the highest bidder comes across as nothing but a money grab. The long term outlook of this practice would appear to be small, independent operators being put out of business while big conglomerates with deep pockets would monopolize our ocean. As already mentioned in the bill itself, the authorities have trouble policing the water as it is. If that is the case, how much worse do you think abuses will be when larger corporations take over?

I do believe changes need to be made to the current laws, but this isn't the change that's needed. I believe a more thoughtful approach with the people actually involved and affected by this bill adding in their suggestions and voice. Thank you.

HB-2477

Submitted on: 2/1/2024 8:01:54 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Wellert	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I have been visiting Hawaii Island for 15 years. I purchased a home in Kohala 1.5 years ago and work as a part time Divemaster on operations with permits in Kawaihae harbor. After getting to know the operators in this area, this proposed bill would be devastating. Opening commercial permits to auction would result in the permits being purchased by the extremely wealthy completely destroying the livelihood of many small operators who barely make ends meet as it is with the cost of crew, fuel, taxes, inflation, etc.

If there is scientific study indicating over use of an area that has been completed AND peer review please provide to the public (not just a single source study created by "scientist" funded by and friends of lobbyists). This bill appears to be another bad idea proposed by an out of touch legislature without knowing the reality of working people on this island. Please do not force out more working class people from the islands trying to make ends meet doing what they love.

This bill would just continue to enable the ultra wealthy a chance to bid insane \$ for a permit and slip in a harbor to park their million+ cruising vessel that they use 1-2x a year. It would be unfair to the hard working small operators and yet again more legislation out of touch with local realities. Stop pandering to large operators and the ultra wealthy.

Respectfully,

Dan Wellert

HB-2477

Submitted on: 2/1/2024 8:04:42 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jordan Kamae	Individual	Oppose	Written Testimony Only

Comments:

Preserving local ocean activities is crucial. Auctioning permits may disadvantage local businesses, impacting our community. A fair, community-based approach ensures sustainability. Restricting within 3,000 ft poses challenges for tourism-driven ventures. Advocating for balanced regulations fosters a thriving marine industry that benefits all.

HB-2477

Submitted on: 2/1/2024 8:35:13 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lorraine T Ratoni	Individual	Oppose	Written Testimony Only

Comments:

HB2477

I am asking you today as a mother of a Small Business owner to please kill HB2477.

My son moved to Hawaii 12 years ago with the dream of becoming a Captain and starting a Charter fishing company. On February 1st 2021 Lucky Lass Haleiwa Charters was established.

He has worked hard to keep his company afloat overcoming many obstacles. His boat is only 20 feet long and he is only able to take 2 guests at a time. He currently pays \$300.00 per month for Harbor fees.

This bill will KILL his business as he is unable to pay a fee of \$2,000.00 per month.

His dream of one day buying a larger boat will be crushed. His son, who is 10 years old dream of becoming a fisherman just like his dad will also be crushed.

This bill will have little effect on large commercial charter operators but will kill the small ones.

Again, please kill HB2477.

Thank you,

Lorraine Ratoni

HB-2477

Submitted on: 2/1/2024 8:40:14 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica Rohr	Individual	Oppose	Written Testimony Only

Comments:

Testifying on behalf of myself, Jessica Rohr, in opposition of HB2477. I own a small meat and fish business called Forage Hawaii. I purchase fish directly from small boat fisherman and often charter Sportfishing boats on Oahu. I also fish often out of Kona Hawaii on Sportfishing boats and am involved in this small community. My son's father operates Boom Boom Sportfishing out of Waianae harbor. On behalf of the families being supported by the Sportfishing industry I want to impress upon you the importance of opposing this bill. These people rely heavily on the investments made for their slip and include them in their retirement plan. Additionally, increasing the already high and inflated cost of operating their business, would risk putting people out of business and their livelihoods. Dear representatives I urge you to consider the families you would be affecting if this bill passes.

HB-2477

Submitted on: 2/1/2024 8:40:54 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
sayaka tomita	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. Business that we have been working hard and sacrafising everything to survive during covid and to support our family furtue will be taken away by this bill. Selling our right to work hard for our famliy and to care for our community we live in to the rich and outsider is not ok.

HB-2477

Submitted on: 2/1/2024 9:58:07 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Jung	Individual	Oppose	In Person

Comments:

Strongly Oppose as this bill will destroy many long time family businesses, especially those in Maui that are trying to survive the Lahaina fire event. Commercial tourism is the lifeblood of Maui's economy whether it is on the land or in the ocean. There is no other source of income except for government wellfare . DL&NR should step away from managing our Maui Harbors and they should revert back to the Dept of Transportation management. Could you imagine DL&NR managing Honolulu Harbor and then shutting it down over cultural and historical issues.? This bill is a horrible overreach of DL&NR power and authority. Mahalo, Dave Jung

HB-2477

Submitted on: 2/1/2024 10:33:08 AM

Testimony for WAL on 2/1/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jason Holtz	Individual	Oppose	Written Testimony Only

Comments:

Aloha, My name is Jason Holtz, I'm a 4th generation boat captain in the Sport fishing industry here in Kona. I am writing to you today to address my disagreement with bill HB2477 and the reasons why. Please hear me out. Right off the bat I believe the bill is unnecessary, inappropriate and will have a severe negative impact on all of the ocean recreation business in Kona and across the State.

Surely you are aware that one of the main attractions to our state are the ocean recreational activities offered to both tourists and locals alike, which brings millions of dollars in revenue to our county and state, while us that generate this revenue for the state by offering access to these activities scrape by living hand to mouth due to the mismanagement of all things related to our harbor and DOBOR. This bill will be highly detrimental to the ocean recreation industry, and therefore to the State's economy, and the concept being proposed by the bill has never been discussed with the industry and should therefore be deferred until such time as the industry is given a chance to weigh-in, detail our concerns and perhaps offer less devastating alternatives.

I've been in the business of charter fishing for 35 years now, following suite of my father. This bill HB2477 will harm every small business operator that relies on having a place in the harbor for their boat and offers access to the many oceanic related activities, (Fishing, diving, sailing, whale watching etc.). The majority of my life has been attached to Honokohau harbor and with every passing year it becomes more difficult to keep any business running out of it. The point being that I know the workings of not just the harbor, but also the charter industry inside and out and as a local who's family has relied on using the harbor for our business since it was first blasted out of the rocks on Ka'iwi point in the 1970s It has always been a difficult career path to make a living at, but me and my family have chosen it because of our love and respect of the ocean.

This bill HB2477 will be another wrench in the industry thrown in by our elected representatives who never ask or address any issues with the local people who it affects the most. Please, as our elected representatives, I ask that you consider the times and the problems of the local people trying to make a living in the most expensive state of the country, and know that HB2477 will only hurt the local business' operating out of the harbors that we pay for. We've taken all the arrows that we can stand, please don't let loose another one.

Aloha and thank you for listening to my concerns,

Captain Jason Holtz

Kailua-Kona, Hawaii