

DAVID Y. IGE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
FINANCE**

**Wednesday, April 6, 2022
1:30 PM**

State Capitol, Conference Room 308, Via Videoconference

**In consideration of
SENATE BILL 2767, SENATE DRAFT 1
RELATING TO FISH AGGREGATION DEVICES**

Senate Bill 2767, Senate Draft 1 proposes to provide funds to the Department of Land and Natural Resources (Department) to support the deployment, replacement, and maintenance of fish aggregation devices (FADs). **The Department strongly supports this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request.**

The Department's Division of Aquatic Resources, in partnership with the Hawaii Institute of Marine Biology, maintains a system of FADs to enhance pelagic fishing opportunities for Hawaii boat-based fishers. As noted in the bill, some fishers rely heavily on FADs to locate targeted pelagic species. A missing FAD can result in less fish for personal or community consumption and increased operational costs as fishers shift to targeting distant FADs or to untargeted open ocean trolling. Therefore, it is highly important that the State maintain funding to sufficiently carry out timely upkeep and replacement of the FADs, thereby minimizing the time off-station and resulting lost fishing opportunities.

An average of about 15 FADs go missing each year. Due to COVID impacts and a recent issue with faulty materials supplied by a vendor, the Department has not been able to keep up with replacing missing FADs. Nine missing FADs around Kauai and Oahu were recently replaced on February 14-15, 2022. There are currently 16 FADs off station, and DAR anticipates needing to replace 15 more FADs in the coming year (31 total). The average cost to replace a FAD is approximately \$12,000. With increasing costs of fuel and materials for FAD components, this cost is expected to increase. A one-time infusion of \$400,000 to replace 31 FADs in the coming year would bring the FAD program back to full capacity.

Thank you for the opportunity to comment on this measure.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

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

SB-2767-SD-1

Submitted on: 4/5/2022 10:42:12 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
David Sakoda	DLNR	Support	Remotely Via Zoom

Comments:

I am available for questions to DLNR. Please allow me Zoom access.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 2767, S.D. 1

April 6, 2022
1:30 p.m.
Room 308 and Videoconference

RELATING TO FISH AGGREGATION DEVICES

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

Senate Bill No. 2767, S.D. 1, provides one-time funding to the Department of Land and Natural Resources to bring the State's Fish Aggregation Device (FAD) program up to full capacity and appropriates an unspecified amount of general funds for FY 23 to support the FAD program.

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

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

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

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

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

Thank you for your consideration of our comments.



April 4, 2022

Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair
COMMITTEE ON FINANCE

DATE: Wednesday, April 6, 2022
TIME: 1:30 p.m.

Regarding: SB 2767, SD1 RELATING TO FISH AGGREGATION DEVICES.

Strong support with comments

HFACT is a not-for-profit, IRS 501c(5) organization, that advocates for small boat commercial, non-commercial, and recreational fishermen throughout Hawaii. HFACT board members sit on a number of federal fisheries management and endangered species advisory committees as well as state marine and coastal zone advisory committees; and, HFACT is thoroughly familiar with and participates in ocean and marine resource management in Hawaii and the central Pacific.

The bill would provide additional funding that would fill the gap to get the FAD system back up to full capacity. As of March 22, 2022, the Hawaii Institute of Marine Biology reports that approximately one-third of the state's FAD system buoys are missing. One-time funding from this bill will bring the FAD system to capacity.

On-going funding for the maintenance of the system, after the system is brought back to full capacity, will be supported by federal funds from the Dingell-Johnson Sportfishing Restoration Fund. A portion of the current funding is provided by in-kind services instead of state match in the form of cash. These services are getting harder to use as state match so the infusion of the funding in this bill would compensate for the decline in in-kind services.

The minimum funding needed would be \$100,000 to \$150,000 for the fiscal year 2022-2023.

Again, to reiterate, HFACT supports SB2767 SD1. The first fish aggregating devices (FAD) were deployed on an experimental basis in 1977, and based on these first FADs, the state of Hawaii developed a FAD program in 1980. For the last 42 years, the FAD program has been a success for the marine ecosystem and for fishers throughout the state.

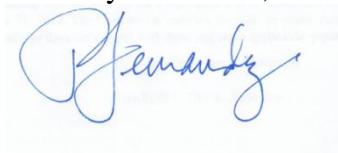
***Hawai'i Fishermen's Alliance for Conservation and Tradition, Inc.
75-796 Hiona Street, Holualoa HI 96725***

The simple fact that the FAD system has been in place for more than 40 years without damaging the tuna biomass is a testament of the program. The FAD system has been responsible for, literally, tens of millions of meals for local families. Thus the FADs are very important for subsistence fishers. Rather than spending valuable fuel searching for fish, FADs are reliable areas to find fish (catching the fish requires skills, however). FADs are more likely to hold fish, but it is never a certainty – fish move on to other areas and continue their migration.

Species such as aku (skipjack tuna) are often found at or around the FADs. These fish are short-lived, highly reproductively productive fish, with high protein content. The World Wildlife Funds notes that “Skipjack tuna are abundant throughout their range and populations appear healthy.”¹

HFACT thanks the chair, vice-chair, and committee members for this opportunity to provide comment and to assist in providing food to the people of Hawaii and to assist in the conservation of Hawaii’s natural resources.

Sincerely and Aloha,



Phil Fernandez
President

¹ <https://www.worldwildlife.org/species/skipjack-tuna>

SB-2767-SD-1

Submitted on: 4/4/2022 5:26:56 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Suzanne Frazer	B.E.A.C.H.	Oppose	Remotely Via Zoom

Comments:

Dear Chair Luke, Vice-Chair Yamashita and Committee Members,

I am writing in opposition to SB2767 SD1 on behalf of Beach Environmental Awareness Campaign Hawaii (B.E.A.C.H.). B.E.A.C.H. is opposed to putting fish aggregating devices (FAD's) in the ocean and therefore does not support using taxpayer money to fund this.

As per testimony by DLNR 15 of these devices go missing every year. That means that marine debris is created by the use of these devices that don't stay put. It is not clear what the FAD's are made of but it seems from various websites that they consist of a possibly metal buoy, concrete blocks, metal chains and nylon (plastic) rope. Although the metal parts may sink the nylon rope will break into hundreds of thousands of pieces of microplastics becoming a problem for animals that ingest plastic. The nylon rope can also be an entanglement hazard to animals and birds.

We need to be cleaning up the ocean and preventing marine debris, not adding to it with public funds.

Thanks for this opportunity to give testimony in opposition to this bill.

Sincerely,

Suzanne Frazer.

SB-2767-SD-1

Submitted on: 4/4/2022 1:28:10 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

FADs are proven devices that enhance the success of local fishers. They do require public funding to keep them operative.

SB-2767-SD-1

Submitted on: 4/4/2022 5:04:45 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ron Dellinger	Individual	Support	Written Testimony Only

Comments:

I strongly support providing additional funding of the Fads Cycle..... deployment, maintenance and redeployment.....of all Hawaii Fads in a timely and professional manner. My expectation is that the additional funding will be used for the benefit of Hawaii fishermen that frequent the Fads and NOT for additional layers of UH management oversight of the program. The program has been sorely deprived of sufficient funding for many years. Please assess and correct this lingering funding situation. Sincerely, Ron Dellinger (Fisherman - Buoy Rat))

SB-2767-SD-1

Submitted on: 4/5/2022 2:52:05 PM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Randy Cates	Individual	Support	Written Testimony Only

Comments:

The Hawaii FAD Program is the only program that supports Fishers on all Islands, the FADS are vital to Hawaii's fisherman especially with the rising fuel costs, they are also an important tool which provides fresh fish to both local Residents and Tourists as well. This program needs immediate support during these tough times to ensure fresh fish is available to Hawaii's people.

SB-2767-SD-1

Submitted on: 4/6/2022 6:25:33 AM

Testimony for FIN on 4/6/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
tony	Individual	Support	Written Testimony Only

Comments:

Aloha we need a better system on how our fads are designed. The state has been wasting money with a design that fails in weeks to months. Our fads should last year's. And the public input on fad locations should be heard. Our fad (D) buoy for example should be moved back to its original spot on Kumukahi point . Fad (ss) should also be moved back to apua point. I support our new bill