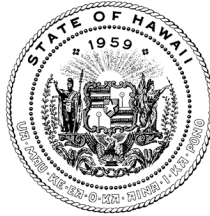


DAVID Y. IGE  
GOVERNOR OF HAWAII



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  
WATER & LAND

Thursday, March 17, 2022  
8:30 AM

State Capitol, Conference Room 430, 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: 3/15/2022 7:10:20 PM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
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

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

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

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

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

**March 17, 2022**  
**8:30 a.m.**  
**Room 430 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.



March 16, 2022

Rep. David A. Tarnas, Chair  
Rep. Patrick Pihana Branco, Vice Chair  
COMMITTEE ON WATER & LAND

DATE: March 17, 2022  
TIME: 8:30AM

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.

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.

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 is it 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.”<sup>1</sup>

The bill would provide additional funding that would be a more stable source than currently exists. A portion of the current funding is provided by in-kind services instead of state

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

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.

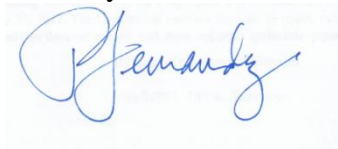
The minimum funding needed would be \$100,000 for the fiscal year 2022-2023 but HFACT understands that the final amount will be determined later at the end of session. HFACT respectfully requests that the committee consider if this money should be added to the department budget rather than in this bill to ensure that the funds will become a more long-term commitment to the FAD project. HFACT will leave this to the legislature to decide which option would provide the stable, long-term funding needed.

HFACT support the funds going to DLNR rather than the UH because the federal Dingell-Johnson funds can only go to the state management agency and UH is not a management agency.

Currently, a number of FADs are no longer on station. HFACT understands that the delay in FAD deployment is mostly caused by the lack of qualified vendors to deploy the FAD. The stringent UH vendor qualification criteria limits who qualifies so currently there is only one vendor. While more money helps, it doesn't solve all the problems.

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

**SB-2767-SD-1**

Submitted on: 3/15/2022 10:02:23 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Regina Gregory	Individual	Oppose	Written Testimony Only

Comments:

This program seems to promote both overfishing and marine debris.

**SB-2767-SD-1**

Submitted on: 3/15/2022 11:00:55 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Randy Cates	Individual	Support	Written Testimony Only

Comments:

I am in support of SB2767 which provides financial support for the Hawaii fishing FAD program, this program is vitally important to fishers especially with the rising fuel costs. These FADS enable fishers to keep thier costs down especially on the outer Islands of Hawaii, it is also important to note that the FADS are heavily used by the tourism industry as well. Fishers provide seafood to our local Resturants as well, no other program in the State of Hawaii supports fishers as much as the FAD program.



**SB-2767-SD-1**

Submitted on: 3/15/2022 12:29:30 PM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
spencer vanderkamp	Individual	Support	Written Testimony Only

Comments:

Aloha,

My, and many other's favorite FAD buoy, "U Buoy" that sits a mere 7 miles outside Kaneohe bay, broke off within a few weeks of being set, at the worse possible time; right before the summer Ahi season. U Buoy, being one of the closest to shore, as well as one of the most productive buoys in the state, is indispensible to the recreational and smaller boat fishers who lack the range to go further off shore. When this buoy broke, weeks before ahi season, that cost literally hundreds of fishers a chance at catching ahi this summer. We lost recreation, lifestyle, and hundreds of thousands of dollars in revenue from fish that these semi-comercial/ recreational fishers could have sold.

The FAD program is by far the most beneficial of tax funded allotments to the fishing community and people who like to eat local fish. FADs are indispensible to all of the recreational fishers as well as small scale commercial fishermen who use the supplemental income to support their families and many, many small businesses here locally.

Seeing first hand, and speaking with the people who set the buoys, they need to improve the size/ strength rating and quality of material used. There is no point in spending tens of thousands of dollars (For deployment alone) to set a (\$8,000-\$15,000) buoy that breaks off within a week, which I have seen multiple times. To reiterate, is a simple solution, we have to use larger, better shackles, line and chain for the buoys and to do that, the program needs more money.

I also feel it necessary to share that the large majority of the Federal tax revenue allotted for fisheries, etc. (paid exclusively by fishers and hunters) goes to "management" of the fishery, which is an absolute sham here in Hawaii. Over 80% of the money goes to UH "scientists" for god knows what, and very little is ever seen as a result of that. Not only are there no benefits seen from their work, there are no results published whatsoever.

This money should benefit the fishermen themselves who do the most to conserve and promote the fisheries. Of the current programs, the FAD program is by far the most beneficial to us, and a marginal increase in budget would make a huge difference.

Thank you for your time.

**SB-2767-SD-1**

Submitted on: 3/16/2022 7:49:03 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carl M Jellings Sr	Individual	Support	Written Testimony Only

Comments:

In Support Mahalo

**SB-2767-SD-1**

Submitted on: 3/16/2022 7:52:27 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
jesse white	Individual	Support	Written Testimony Only

Comments:

As a part time fisherman and also one who shares his catch with the local community it is very important to have these FADs available for small boat fisherman to go out and secure fish for themselves and the commercial fish purveyors. With the massive increase in the costs to just take your boat out having to be more efficient is the only way to help it remain economically sustainable. Please continue to fund the FAD program and expand it if at all possible.

**SB-2767-SD-1**

Submitted on: 3/16/2022 8:10:22 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Klayton Kubo	Individual	Support	Remotely Via Zoom

Comments:

Support

**SB-2767-SD-1**

Submitted on: 3/16/2022 8:49:54 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Steve Kaiser	Individual	Support	Written Testimony Only

Comments:

Passage of this bill is more important than ever. Let's remember why these buoys were originally put in place. To make it easier for fishermen to catch fish. They are aggregating devices so fishermen can travel less. And with our high fuel prices this is now critical. I will also add that to make the most effective use of the monies that a review of the design which has led to many of the buoys to be short-lived. The design and materials need a solid evaluation. Design has not changed in decades and since we have other buoys (NASA and Tsunami) that clearly outlive the state buoys it would be prudent and a good idea to look at the design and make improvements with an eye also on materials. And next let's talk about placement and get fishermen involved. We know what buoys and what areas produce the best. We know how the fish travel and what areas work. And we know what areas don't. Also some areas maybe in conflict with communities and we should also take that into consideration. So talk to us. We are just as much scientists as what is science but observation and evaluation. Thank you for your time

**SB-2767-SD-1**

Submitted on: 3/16/2022 10:01:35 AM

Testimony for WAL on 3/17/2022 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Garret Oyama	Individual	Support	Written Testimony Only

Comments:

Aloha I Garret Oyama,

Support this bill along with other fellow fishermen and women. Without these guys maintaining our buoys/fads, a weekend warrior type of fisherman like me wouldn't be able to enjoy the luxury going out with my kids to check out if anythings biting at certain buoys. These guys go out of there way searching and replacing missing buoys/fads day in and day out. I support and appreciate everything they do and will continue to support them for our future keiki fishermen/women.