

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
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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 SENATE COMMITTEE ON WATER AND LAND
ON
SENATE BILL NO. 2767

February 4, 2022
1:15 p.m.
Room 229 and Videoconference

RELATING TO FISH AGGREGATION DEVICES

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

Senate Bill No. 2767 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.

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 Senate Committee on
WATER AND LAND**

**Friday, February 4, 2022
1:15 PM**

State Capitol, Conference Room 229 & Videoconference

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

Senate Bill 2767 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. There are currently 23 FADs off station with 9 scheduled for replacement in the near future. A one-time infusion of \$350,000 to replace the 14 remaining off-station FADs and to cover the anticipated need to replace 15 FADs in the coming year (29 total) 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
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CONSERVATION AND COASTAL LANDS
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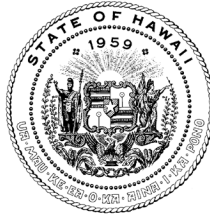
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SB-2767

Submitted on: 2/2/2022 11:09:12 AM

Testimony for WTL on 2/4/2022 1:15:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kim Holland	Individual	Support	Yes

Comments:

Dear Chair Inouye and committee members. My name is Dr. Kim Holland and I lead the University of Hawaii component of the state's FAD program which is administered as a collaborative program between UH and DLNR DAR. The UH component is primarily concerned with the day to day operation of the FAD program.

This is to inform you that I will make myself available on Zoom to answer any questions that may arise during your committee's consideration of this bill.