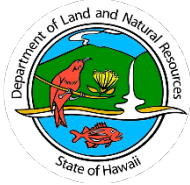


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



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 & LAND**

**Tuesday, March 28, 2023
9:30 AM
State Capitol, Conference Room 430**

**In consideration of
HOUSE CONCURRENT RESOLUTION 25/HOUSE RESOLUTION 27
REQUESTING THE AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE
OPERATIONS AND MANAGEMENT OF THE DEPARTMENT OF LAND AND
NATURAL RESOURCES' DIVISION OF BOATING AND OCEAN RECREATION.**

House Concurrent Resolution 25/House Resolution 27 requests the Auditor to conduct a comprehensive performance audit of the Division of Boating and Ocean Recreation (DOBOR) of the Department of Land and Natural Resources (Department). **The Department offers the following comments.**

The Department notes that the following management audits have been conducted for the Small Boat Harbor Program:

- 1976: Management Audit of the Recreational Boating Program (under management of the Department of Transportation)
- 1995: Follow-Up on a Study of the Financing of the Small Boat Harbors and Boat Ramps Program of the Department of Land and Natural Resources
- 1998: Audit of the Management of Small Boat Harbors and Boat Ramps
- 2001: Audit of the Management of State Boating Facilities by the Department of Land and Natural Resources

A financial audit of DOBOR is conducted every year. Additionally, the following financial audits and reviews have been conducted by the Legislative Auditor for the Small Boat Harbor Program:

- 1986: Financial Audit of the Boating Program (under management of the Department of Transportation)
- 2000: Financial Audit of the Department of Land and Natural Resources
- 2006: Financial Audit of the Department of Land and Natural Resources

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

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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

- 2009: Department of Land and Natural Resources – June 30, 2008 Financial Statements and Single Audit Report
- 2010: Department of Land and Natural Resources – June 30, 2009 Financial Statements and Single Audit Report
- 2014: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounting of the Department of Land and Natural Resources
- 2018: Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounting of the Department of Land and Natural Resources
- 2019: Department of Land and Natural Resources – June 30, 2017 Financial Statement

When the Small Boat Harbor Program was transferred from the Department of Transportation to the Department in 1991, the Department received the then-\$300 million backlog of deferred maintenance projects, which include capital improvement projects (CIP) and repair & maintenance (R&M) projects. Adjusted for inflation, the deferred maintenance balance in 1991 dollars is equivalent to approximately \$660 million in 2023 dollars. As of the date of this testimony, the deferred maintenance balance of the Small Boat Harbor Program is approximately \$300 million; this equates to roughly half of the deferred maintenance being addressed, adjusted for inflation, since the Small Boat Harbor Program was first transferred to the Department in 1991. While the Department has been able to incrementally decrease the deferred maintenance balance of the Small Boat Harbor Program over the years, inflation, rising costs, and severe underfunding have hindered DOBOR's ability to fully clear the deferred maintenance backlog.

It is important to note that DOBOR's statutory mandate, contained in Section 200-3, Hawaii Revised Statutes, includes operation of both the Small Boat Harbor and the Coastal Areas Programs, which expands DOBOR's jurisdiction to include ocean recreation activity management in ocean waters out to three nautical miles from shore. DOBOR is unable to adequately manage ocean recreation activity due to having to focus the majority of its staff and funding on the Small Boat Harbor Program.

If the Legislature is concerned with improving DOBOR's management strategies, the Department recommends allowing DOBOR to implement its 2019 Strategic Plan, which calls for Public-Private Partnerships for state small boat harbors as an improved management tool. The Department notes that DOBOR has not been able to fully implement the goals highlighted in its 2019 Strategic Plan because the necessary legislation has continually failed to pass the Legislature.

Mahalo for the opportunity to provide comments on these measures.



March 25, 2023

COMMITTEE ON WATER & LAND

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

Date ; Tuesday, March 28, 2023

Time ; 9:30 A.M.

Regarding: HCR 25/HR 27 Performance Audit of DOBOR

Strong Support

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 believes that a performance audit is appropriate for DOBOR, as we are dissatisfied with the manner and timeliness that repairs and improvements are being accomplished at our Boat Ramp areas. A prime example is the large missing section of pier at the Keehi Boat Ramp, that has been that way for way too long. The safety of our boats and boaters is compromised and repairs need to be done expeditiously. The boating community at the Hawaii Kai Ramp were pierless for an extremely long time and DOBOR didn't take the advice of the fishermen, who were advocating for a floating pier, to combat the extreme tide changes. The result of which, is, that at low tide, it is very difficult to get off your boat to the pier. That height difference would not exist if they had constructed a floating pier. These are just two examples of many, Island wide

Hawai'i Fishermen's Alliance for Conservation and Tradition, Inc.

2015 Leiloke Drive, Honolulu, HI.96822

HFACT also strongly believes that the fishermen and other users should be part of a working group to confer with DOBOR and advise in the decision-making process.

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,

A handwritten signature in black ink, appearing to read "Edwin Watamura". The signature is fluid and cursive, with the first name being more prominent.

Edwin Watamura

Executive Director.

watafishing @ gmail.com

Hawai'i Fishermen's Alliance for Conservation and Tradition, Inc.

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