



SENATE COMMITTEE ON WATER AND LAND
The Honorable Lorraine R. Inouye, Chair
The Honorable Brandon J.C. Elefante, Vice Chair

S.B. NO. 98, RELATING TO WILDLIFE MANAGEMENT

Hearing: Wednesday, February 1, 2023, 1:00 p.m.

The Office of the Auditor offers the following comments on S.B. No. 98, which requires the auditor to conduct an audit of the Department of Land and Natural Resources' Aquatic Resources Division "to determine how funds received from the Wildlife and Sport Fish Restoration program have been expended by the State." We are also requested to include "the recipient and purpose of each expenditure made with the funds received from the Wildlife and Sport Fish Restoration Program."

The audits that we conduct generally assess how state programs are performing specific activities that are key to achieving their respective statutory purposes. In assessing those key activities, we often examine the processes the program has developed and implemented to ensure that the activities are performed as management intended, and when the program is not effectively or efficiently performing its work, we determine "the cause," meaning why the program is not meeting its purpose. Our staff are trained and skilled in those types of performance audits, adhering to Government Auditing Standards promulgated by the U.S. Comptroller General.

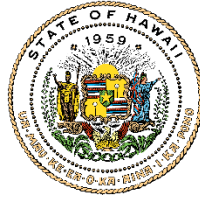
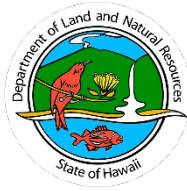
The work described in the bill, however, is not an audit. Rather, the bill's purpose seems to be to obtain an "accounting" of the funds used by the division from the Wildlife and Sport Fish Restoration Program.

With our current staffing, we have limited capacity to do the work proposed. We suggest another agency is better suited to report the information about the division's use of the federal funds required by the bill.

Thank you for considering our testimony related to S.B. No. 98.

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**

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LAND
STATE PARKS

**Testimony of
DAWN N. S. CHANG
Chairperson**

**Before the Senate Committee on
WATER AND LAND**

**Wednesday, February 1, 2023
1:00 PM**

State Capitol, Conference Room 229 & Videoconference

**In consideration of
SENATE BILL 98
RELATING TO WILDLIFE MANAGEMENT**

Senate Bill 98 proposes to require the Auditor to audit the Department of Land and Natural Resources' (DLNR's) Aquatic Resources Division's expenditures of funds received from the federal Wildlife and Sport Fish Restoration program and requires a report to the Legislature. **The Department appreciates the intent of this bill and offers the following comments.**

In 2022, Hawaii received \$10,737,672 from the Federal government in the form of apportionments for the Wildlife Restoration Program and Sport Fish Restoration Program. The Wildlife Restoration Act aka Pittman-Robertson (P-R) established an excise tax on guns, ammunition, and hunting equipment, and the Sport Fish Restoration Act aka Dingell-Johnson (D-J) established an excise tax on fishing tackle and gasoline for boats and small engines to fund these programs.

Hawaii's apportionments were split among four of the Department's divisions as follows: \$6,741,058 was the P-R apportionment, which is shared by the Division of Forestry and Wildlife (DOFAW) to fund hunting/wildlife projects and the Division of Conservation and Resources Enforcement (DOCARE) to fund hunter education projects; \$3,996,614 was for D-J, which is split as required by Congress (85% sport fish/15% recreational boating access). So of the 2022 D-J apportionment, \$3,397,122 went to the Division of Aquatic Resources (DAR) to fund recreational fishing projects and \$599,492 went to the Division of Boating and Ocean Recreation (DOBOR) to fund recreational boating access.

The table below shows the budget breakdown of DAR's share of the D-J apportionment for FY23.

DAR - Sport Fish Restoration Program				
GRANT TITLE	PROJECT TITLE	FEDERAL	STATE	TOTAL
Statewide Freshwater Fisheries Development	Freshwater Public Fishing Areas	315,000	105,000	420,000
Statewide Marine Fisheries Development	Artificial Reef Fish Habitat	300,000	100,000	400,000
	Fish Aggregating Devices Development & Operation	570,000	190,000	760,000
	Total Grant Cost	870,000	290,000	1,160,000
Statewide Sport Fish Restoration Program Coordination	Sport Fish Restoration Program Coordination	222,000	74,000	296,000
Statewide Freshwater Fisheries Research & Surveys	Fish Population Structure, Biotic Fluctuations, Environmental Disturbances in Public Fishing Areas	73,500	24,500	98,000
Statewide Freshwater Fisheries Technical Guidance	Statewide Freshwater Fisheries Technical Guidance	84,000	28,000	112,000
Statewide Marine Fisheries Technical Guidance	Statewide Marine Fisheries Technical Guidance	132,000	44,000	176,000
Statewide Marine Fisheries Research & Surveys	Survey of Fish and Habitat	675,000	225,000	900,000
	Hawaii Marine Recreational Fishing Survey	300,000	100,000	400,000
	Investigation of Hawaiian Estuaries	663,500	221,167	884,667
	Aquatic Resources Database	201,375	67,125	268,500
	Life Histories of Marine Fishes	78,000	26,000	104,000
	Total Grant Cost	1,917,875	639,292	2,557,167
Hawaii Aquatic Resources Education Program	Aquatic Resources Education	450,000	150,000	600,000
	Overall Total Grant Costs	4,064,375	1,354,792	5,419,167

These DLNR programs, which the US Fish & Wildlife Service oversee, are audited annually by the Department's single audit. The Wildlife Restoration Program and Sport Fish Restoration Program are also audited on a five-year cycle by the Department of Interior's Office of the Inspector General so these audits should be available for review.

Mahalo for the opportunity to comment on this measure.



January 30, 2023

Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair
COMMITTEE ON WATER AND LAND

DATE: Wednesday, February 1, 2023
TIME: 1:00 PM

Regarding: SB 98 RELATING TO WILDLIFE MANAGEMENT

Comment only

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 wishes to provide comment on SB98. While HFACT appreciates the introduction of this bill, during 2022 the Division of Aquatic Resources has been working closely with fishers to be transparent in the spending of the federal funds received through Wildlife and Sports Fish Restoration Fund. This transparency in spending of these federal funds is an improvement over prior years.

HFACT finds that a program audit is not necessary at this time.

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

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

SB-98

Submitted on: 1/29/2023 2:06:01 PM

Testimony for WTL on 2/1/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Bishop	Individual	Support	Written Testimony Only

Comments:

Mahalo for passing SB98 that will ensure much needed accountability of federal funding.