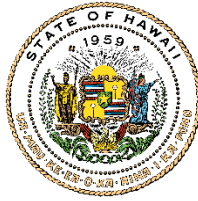


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

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

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
WATER & LAND

Thursday, March 13, 2025
9:00 AM
State Capitol, Conference Room 411

In consideration of
SENATE BILL 411, SENATE DRAFT 2
RELATING TO CAPITAL IMPROVEMENT PROJECTS AT STATE SMALL BOAT
HARBORS AND STATE PARKS

Senate Bill 411, Senate Draft 2 proposes to allow the Department of Land and Natural Resources (Department) to engage in capital improvement project work at state small boat harbors and state parks without prior approval from the Legislature and Governor for existing facilities. **The Department of Land and Natural Resources (Department) supports this measure.**

The Department makes its best efforts to proactively address deferred maintenance needs at small boat harbors and state parks, but much of the work must be completed through the capital improvement project (CIP) budget, which is determined by the Legislature, then needs to be released by the Governor. While the Department already has the authority to complete some types of infrastructure work without the need for CIP funding or approval, construction and some types of larger repair work must follow the CIP process. In many instances, these CIP needs arise when the Legislature is not in session, so the Department would need to wait for the next upcoming Legislative Session so that a CIP request can be made.

While the Department acknowledges that facilities may need improvements, it is wholly inaccurate to attribute the condition of facilities to a lack of action or motivation by the Department. The Department regularly submits CIP requests totaling tens of millions of dollars to the Legislature each year but usually receives much less than the requested amounts in the Legislature's final CIP budget each year. Despite this severe CIP underfunding, the Department has been able to keep all of its small boat harbors and state parks operational and open to the public.

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

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
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

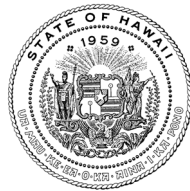
The Department's Division of Boating and Ocean Recreation (DOBOR) manages 16 small boat harbors and ramps statewide, and the Department's Division of State Parks (DSP) manages the State's 51 state parks, encompassing roughly 30,000 acres.

DOBOR's operations are almost entirely funded by the Boating Special Fund (BSF), which derives its revenues (roughly \$30 million annually) from user fees. In Fiscal Year 2024-2025, DOBOR spent a total of \$18 million of the BSF (about 60% of available funds) on various infrastructure projects statewide. However, for perspective, DOBOR's latest estimated deferred CIP balance is roughly \$1 billion. This estimate was recently increased due to a number of factors, including inflation and increased costs of supplies & labor. One recent example of how the CIP process has hindered a DOBOR project was in the Wailoa dredging project on Hawai'i Island, where the Legislature appropriated \$3.1 million in CIP funds, but the lowest bid on the project was \$4.8 million. Rather than waiting for the next budgeting cycle to request the additional funding, DOBOR proactively worked to supplement the CIP funding with \$1.7 million of its operational funds, which required additional time because the supplemental funding needed to follow CIP processes, during which time additional sediment accumulated and further blocked users' access to ocean waters.

DSP's operations are funded with a combination of general funds and the State Parks Special Fund, with an annual budget of about \$45 million. Due to a series of budget reductions over decades, DSP's operating budget was historically inadequate to provide the needed quality maintenance and management of aging facilities and infrastructure, many of which were constructed in the 1960s and early 1970s. Subsequently, DSP has needed to rely upon CIP funding to execute what should have been routine repair and maintenance. DSP also previously saw position reductions, which combined with the creation of additional State Park units, resulted in the degradation of many features and facilities due to overuse, underfunding, and understaffing. The Legislature recognized DSP's need for additional staffing and has gradually been increasing DSP's position count, which stands at 155 today. In 2020, DSP initiated a camping, lodging, parking, and entry fee increase, and in 2021, DSP's revenues hit the highest amount since the inception of the Hawai'i State Park system: \$31 million. DSP continues to see healthy revenues at its parks, and it is DSP's goal to achieve self-funding for deferred repair and maintenance, initiating value-added park improvements, such as a statewide upgrade of camping and lodging facilities, and managing operating costs, while sustaining its base budget of general funds for staff salaries and overhead.

Without significant changes in the approach to addressing infrastructure needs, the Department anticipates a constant maintenance backlog. This measure would therefore allow DOBOR and DSP to respond to CIP needs in a faster and more efficient way, and the Department will continue to follow proper procurement methods when issuing contracts for CIP work.

Mahalo for the opportunity to testify on this measure.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

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

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
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

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON WATER AND LAND
ON
SENATE BILL NO. 411, S.D. 2

March 13, 2025
9:00 a.m.
Room 411 and Videoconference

RELATING TO CAPITAL IMPROVEMENT PROJECTS AT STATE SMALL BOAT
HARBORS AND STATE PARKS

The Department of Budget and Finance (B&F) opposes this bill.

Senate Bill (S.B.) No. 411, S.D. 2, proposes to allow the Department of Land and Natural Resources to undertake capital improvement projects for State small boat harbors and State parks without authorization by the Legislature and the Governor.

It is important to point out that Article VII, Section 5, of the Hawai'i Constitution expressly states that "[n]o public money shall be expended except pursuant to appropriations made by law." This means that expenditures for capital improvement projects need to be authorized by the Legislature. Section 5 also states that "[p]rovision for the control of the rate of expenditures of appropriated state moneys . . . shall be made by law." Chapter 37, HRS, Budget, provides the statutory structure and processes for expenditure of public moneys that have been authorized by the Legislature. These processes involve allotment control and approval by the Governor. Consequently, B&F strongly opposes S.B. No. 411, S.D. 2.

Thank you for your consideration of our comments.



COMMITTEE ON WATER AND LAND

DATE: Thursday, March 13, 2025

TIME: 9:00 AM

Support SB441

Aloha Chair Hashem. Vice Chair Lamosau and committee members,

My name is Antoinette Davis. It has been my honor to represent the Activities and Attractions Association of Hawaii (A3H), a not-for-profit 501c6 trade organization, as its executive director since 1997 (28 years). **A3H supports SB441.**

Senate Bill (S.B.) No. 411, S.D. 1, proposes to allow the DLNR resources to undertake capital improvement projects for State small boat harbors and State parks without authorization by the Legislature and the Governor.

Hawaii's State parks and small boat harbors are essential in supporting tourism and residential recreational enjoyment and access. Unfortunately, many of these facilities suffer from severe neglect and deferred maintenance, negatively impacting residents' and visitors' enjoyment and, in some cases, their safety.

This bill addresses these deficiencies and liabilities by allowing DLNR to undertake necessary repairs, renovations, and replacements without unnecessary bureaucratic delays while maintaining accountability through legislative notification and standards of the State's procurement process.

Without significant changes, DLNR's huge maintenance backlog will only grow. This measure allows DOBOR and DSP to respond to CIP needs faster and more efficiently.

Mahalo, thank you for your time, consideration, and opportunity to testify.

SB-411-SD-2

Submitted on: 3/11/2025 7:43:17 AM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Zachary LaPrade	Calypso Charters	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Members of the Committee:

My name is **Zachary LaPrade**, and I am testifying on behalf of Ocean Tourism Coalition.

I write in **strong support of S.B. 411**, which would grant the **Department of Land and Natural Resources (DLNR)**, including the **Division of Boating and Ocean Recreation (DOBOR)** and the **Division of State Parks**, the authority to carry out **critical repairs, renovations, and replacements at small boat harbors and state parks without requiring prior legislative or gubernatorial approval.**

The Urgent Need for Flexibility in Harbor Maintenance

Hawai‘i’s **small boat harbors are in a persistent state of disrepair**. As a business that depends on state harbors, I see the **deteriorating infrastructure** firsthand:

- **Broken cleats remain unrepaired for months**, creating safety hazards.
- **Docks in disrepair** make it dangerous for operators, visitors, and recreational boaters.
- **Routine maintenance is delayed due to excessive bureaucracy**, worsening the problem over time.

Right now, even the **simplest fixes**—like replacing a broken dock or repairing safety-critical infrastructure—are **bogged down by excessive red tape**. By the time approval is granted, the damage has often worsened, increasing costs and risk.

A Balanced Approach: Flexibility with Oversight

S.B. 411 does **not** authorize unchecked spending or new construction. Instead, it provides:

✓ **Flexibility for DOBOR and the Division of State Parks** to act **proactively** on necessary repairs.

✓ **Limits to ensure funds are spent only on critical repairs, renovations, and replacements.**

✓ **Transparency & Accountability** through:

- **Legislative notification 14 business days before expenditures.**
- **Annual reporting** on projects, costs, and justifications.

This **streamlined process** will enable **safer, more functional harbors and parks** while maintaining **legislative oversight**.

Conclusion

Hawai'i's boat harbors **support local businesses, recreational users, and tourism**, but **neglect and bureaucratic inefficiencies** have left them **unsafe and deteriorating**. The **passage of S.B. 411 is critical** to ensuring **our state's marine infrastructure is properly maintained** in a timely and efficient manner.

On behalf of Ocean Tourism Coalition, I **urge the Committees to pass S.B. 411** and support the ongoing safety, usability, and economic importance of Hawai'i's small boat harbors.

Mahalo for the opportunity to testify.

**Respectfully submitted,
Zachary LaPrade**

Ocean Tourism Coalition

SB-411-SD-2

Submitted on: 3/11/2025 9:04:21 AM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
SLEIMAN K. SALIBI	Sleiman K. Salibi	Support	Written Testimony Only

Comments:

Support SB841 with Ocean Tourism Coalition Amendments

Aloha Chair Hashem. Vice Chair Lamosau and committee members,

My name is Sleiman K. Salibi. I represent True Blue Inc. DBA Kauai Beach Boys; DBA Da Life Outdoor Gear; Established on Kauai since 1983.

SB841 SD1, seeks to establish the Marine Life Conservation District (MLCD) Carrying Capacity Program under the DLNR. OTC has humbly and respectfully requested an amendment to Section 2(b) to require the State to consult with permitted commercial operators actively operating within MLCDs.

Currently, Section 2(b) of the bill mandates consultation with the counties, the University of Hawaii (including the Hawaii Institute of Marine Biology), and nonprofit community organizations. **However, it does not include consultation with currently**

permitted operators who have extensive, firsthand knowledge of MLCDs and the daily interactions between ocean users and marine life. These operators—many of whom have decades of experience—can offer invaluable insights on responsible management practices, sustainable tourism, and enforcement challenges. Their expertise should be utilized to create effective and practical management strategies.

Mahalo, thank you for your time, consideration, and opportunity to testify.

SB-411-SD-2

Submitted on: 3/11/2025 2:15:41 PM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erik Stein	Exteneded Horizons	Support	Written Testimony Only

Comments:

All I can say is it is about time for the process of apporpriating fund for maintenance be allowed exceptions to get the process of repairs done without always need to legislate for repetitive maintenance and repairs Strongly support



March 11, 2025

COMMITTEE ON WATER AND LAND

DATE: Thursday, March 13, 2025

TIME: 9:00 AM

Support SB411

Aloha Chair Hashem. Vice Chair Lamosau and committee members,

I, Peter Wood strongly support Senate Bill (S.B.) No. 411, S.D. 1, which proposes to allow the DLNR resources to undertake capital improvement projects for State small boat harbors and State parks without authorization by the Legislature and the Governor.

Hawaii's State parks and small boat harbors play an essential role in supporting tourism and residential recreational enjoyment and access. Unfortunately, many of these facilities suffer from severe neglect, and have deferred maintenance negatively impacting residents and visitors enjoyment and in some cases their safety.

This bill addresses these deficiencies and liabilities by allowing DLNR to undertake necessary repairs, renovations, and replacements without unnecessary bureaucratic delays, while maintaining accountability through legislative notification and standards of the State procurement process.

Without significant changes DLNR's huge maintenance backlog will only grow. This measure allows DOBOR and DSP to respond to CIP needs in a faster and more efficient way. This is hugely important especially for small boat harbors island wide in dire need of repairs.

Thank you for your consideration of my testimony.

Respectfully,

Peter Wood – Sailing Maui Inc. 808 870-3672

SB-411-SD-2

Submitted on: 3/11/2025 5:10:44 PM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Margaret Sutrov	Maui Pacific Divers	Support	Written Testimony Only

Comments:

I remember visiting Ma’alaea Harbor when I was a kid, and now, managing our family charter boat business, I am often embarrassed at the disrepair of the harbor. And of course, it’s not just our customers who have to deal with these, but the local families enjoying time at the harbor, fishing off the breakwall, etc.

We have a continual water leak in a walkway, broken dock cleats, overflowing urinals, electrical boxes that leak electrical current into the harbor—escalating corrosion to boats, and street lights that don’t function. Is it going to take someone getting hurt because of these ongoing maintenance issues for something to be done?

I support this bill because it allows DLNR to undertake necessary repairs, renovations, and replacements without unnecessary bureaucratic delays, while maintaining accountability through legislative notification and annual reporting requirements. Please help maintain the harbors that support our communities and small businesses.



March 11, 2025

COMMITTEE ON WATER AND LAND

DATE: Thursday, March 13, 2025

TIME: 9:00 AM

Support SB ~~411~~ 411

Aloha Chair Hashem. Vice Chair Lamosau and committee members,

I, Inca Robbin strongly support Senate Bill (S.B.) No. 411, S.D. 1, which proposes to allow the DLNR resources to undertake capital improvement projects for State small boat harbors and State parks without authorization by the Legislature and the Governor.

Hawaii's State parks and small boat harbors play an essential role in supporting tourism and residential recreational enjoyment and access. Unfortunately, many of these facilities suffer from severe neglect, and have deferred maintenance negatively impacting residents and visitors enjoyment and in some cases their safety.

This bill addresses these deficiencies and liabilities by allowing DLNR to undertake necessary repairs, renovations, and replacements without unnecessary bureaucratic delays, while maintaining accountability through legislative notification and standards of the State procurement process.

Without significant changes DLNR's huge maintenance backlog will only grow. This measure allows DOBOR and DSP to respond to CIP needs in a faster and more efficient way. This is hugely important especially for small boat harbors island wide in dire need of repairs.

Thank you for your consideration of my testimony.

Respectfully,

Inca Robbin – Shangri-La Sailing Charters – 808 870-3673

Committee on Water and Land

Date: March 13, 2025

Time: 9:00 AM

Support SB411

Aloha Chair Hashem, Vice Chair Lamosau and committee members,

My name is Jim Walsh, I am the General Manager for our Atlantis Submarines ~ Maui location. Atlantis Hawaii has been in operation here in Hawaii for 38 years. We have operations on the island of Hawaii, in Kona, on Oahu, in Waikiki, and Lahaina Maui (looking forward to restarting that operation). **Atlantis Submarines supports SB441.**

Senate Bill (S.B.) No. 411, S.D. 1, proposes to allow the DLNR resources to undertake capital improvement projects for State small boat harbors and State parks without authorization by the Legislature and the Governor.

Hawaii's State parks and small boat harbors play an essential role in supporting tourism and residential recreational enjoyment and access. Unfortunately, many of these facilities suffer from severe neglect, and deferred maintenance negatively impacting residents and visitors enjoyment and in some cases their safety.

This bill addresses these deficiencies and liabilities by allowing DLNR to undertake necessary repairs, renovations, and replacements without unnecessary bureaucratic delays, while maintaining accountability through legislative notification and standard's of the State procurement process.

Without significant changes DLNR's huge maintenance backlog will only grow. This measure allows DOBOR and DSP to respond to CIP needs in a faster and more efficient way.

Thank you for the opportunity to testify.

Respectfully yours

Jim Walsh
General Manager

SB-411-SD-2

Submitted on: 3/12/2025 9:03:10 PM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dean Sensui	Hawaii Goes Fishing	Support	Written Testimony Only

Comments:

I am writing in support of SB411 as it provides much needed flexibility to address the continuous maintenance requirements of our public boating facilities.

Boating in Hawai'i is much more than recreation. A great deal of it is directly involved in gathering food for local residents. There's always a lot of talk about making our island state less dependent upon imported resources, and fishing is a time-honored way of helping to make that happen.

There are many boat ramps, docks, washdowns and other facilities that are constantly in need of repair. Some have decayd so badly that they're cordoned off and left unavailable for months. Large potholes in roads and parking lots damage trailers. Docks become unsafe through normal wear and weather, and eventually people get injured. Channels that are supposed to provide boats safe access to the ocean become too shallow with accumulated silt and damage props, or close off access completely.

Our trailer registration and ramp fees need to be applied as needed to keep our boating facilities in servicable condition, and it's hoped that this bill will streamline that process to everyone's benefit.

Thank you for your thoughtful consideration.

Aloha,

Dean Sensui, executive producer, Hawai'i Goes Fishing.

SB-411-SD-2

Submitted on: 3/11/2025 9:12:18 AM

Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley Roussel	Individual	Support	Written Testimony Only

Comments:

Capital Improvement Projects at State Small Boat Harbors and State Parks

Chair, Vice Chair, and Members of the Committee,

My name is Ashley with Sail Maui, a Maui-based marine tourism company that operates out of state small boat harbors. I am writing in strong support of **SB 411, SD2**, which authorizes the Department of Land and Natural Resources (DLNR) to conduct capital improvement projects at state small boat harbors and parks more efficiently.

The condition of Hawaii’s small boat harbors is a critical issue for commercial operators, recreational users, and visitors alike. Many of these harbors are in dire need of repairs and upgrades, yet bureaucratic delays often stall much-needed improvements. By allowing DLNR to move forward with projects without requiring prior approval from the Legislature and Governor for existing facilities, this bill will help expedite essential repairs and infrastructure upgrades that directly impact the safety and functionality of our harbors.

Improved harbor infrastructure means a better experience for residents and visitors, increased operational efficiency for commercial boat operators, and reduced environmental risks from deteriorating facilities. Additionally, maintaining and improving our state parks ensures that both locals and visitors can continue to enjoy Hawaii’s natural beauty in safe and well-maintained spaces.

I urge the committee to support this measure to ensure that Hawaii’s boating infrastructure and parks receive the timely improvements they need.

Mahalo,
Ashley Roussel

Sail Maui