A BILL FOR AN ACT

RELATING TO STATE BOATING FACILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the division of 2 boating and ocean recreation (DOBOR) of the department of land 3 and natural resources is tasked with thirteen statutory mandates 4 primarily relating to the operation and management of state 5 small boat harbors and the administration of the ocean 6 recreation management program. However, the legislature 7 recognizes that, due to statutory limitations, DOBOR has been unable to fulfill its statutory mandate of administering the 8 9 ocean recreation management program, and instead has disproportionately devoted almost all of its staff and resources 10 to the operation and management of the sixteen state small boat 11 12 harbors and numerous boat launch ramp facilities throughout the 13 State.

14 The legislature notes that, historically, DOBOR has not 15 received adequate staff or funding to meet all of its statutory 16 mandates and that the state small boat harbor program is 17 severely underfunded. Due to inflation and increased

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1 construction costs, DOBOR has approximately \$1,100,000,000 in
2 deferred maintenance costs as of 2024. With an annual
3 operational budget of roughly \$30,000,000, DOBOR is unable to
4 address its deferred maintenance backlog, leaving facilities in
5 a state of disrepair while DOBOR awaits capital improvement
6 project funding from the legislature.

7 The legislature further finds that it is nearly impossible 8 to quantify how underfunded the ocean recreation management 9 program is because ocean recreation activities are widespread 10 throughout the ocean waters of the State. Furthermore, DOBOR 11 has not been able to adequately administer the ocean recreation management program for the reasons stated, resulting in 12 increased user conflicts, ocean safety concerns, and illegal 13 14 commercial ocean activities.

15 The legislature also finds that the Ala Wai small boat 16 harbor is the "gateway to Waikiki" and possesses significant 17 potential to provide a positive and memorable welcome to 18 residents and visitors alike as they enter Waikiki, as well as a 19 community space for gatherings and recreational activities. 20 Engaging in alternate management options for state small boat 21 harbors, namely public-private partnerships for management of



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1	small boat harbor operations, would improve small boat harbor			
2	conditions, create a more inviting atmosphere for all users, and			
3	enable DOBOR to better devote its staff, time, and resources to			
4	the administration of the ocean recreation management program.			
5	A prime example of a state-owned harbor under private			
6	management is the Kewalo basin harbor under the Hawaii community			
7	development authority, which is leased to Howard Hughes			
8	Holdings, Inc., and managed by Almar Marinas. The public-			
9	private partnership at Kewalo basin harbor has resulted in			
10	timely repairs and maintenance, as well as a regular staff			
11	presence to monitor harbor activities and assist users.			
12	Accordingly, the purpose of this Act is to:			
13	(1) Establish a state boating facility lease program			
14	within the department of land and natural resources to			
15	be implemented and administered by DOBOR for the Ala			
16	Wai small boat harbor on Oahu; and			
17	(2) Allow the board of land and natural resources to lease			
18	the Ala Wai small boat harbor in its entirety,			
19	including fast lands and submerged lands within it, by			
20	public auction, request for proposals, or direct			

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1	negotiation for private development, management, and
2	operation.
3	SECTION 2. Chapter 200, Hawaii Revised Statutes, is
4	amended by adding a new section to be appropriately designated
5	and to read as follows:
6	" <u>§200-</u> State boating facility lease program;
7	established. (a) There is established within the department a
8	state boating facility lease program to be implemented and
9	administered by the division of boating and ocean recreation.
10	(b) The board may lease Ala Wai small boat harbor in its
11	entirety, including fast lands and submerged lands within it
12	boundaries, by public auction, request for proposals, or direct
13	negotiation for private development, management, and operation;
14	provided that a lease entered into pursuant to this section
15	shall expire on or before June 30, 2045.
16	(c) The state boating facility lease program shall be
17	exempt from the prior legislative authorization required by
18	sections 171-53(c) and 171-60(a).
19	(d) The department shall submit a report of its findings
20	and recommendations, including any proposed legislation, and
21	advise whether the state boating facility lease program should



1	be continued, modified, or terminated, to the legislature no				
2	later than twenty days prior to the convening of each regular				
3	session."				
4	SECTION 3. Section 200-2.5, Hawaii Revised Statutes, is				
5	amended by amending subsection (a) to read as follows:				
6	"(a) Notwithstanding any law to the contrary, the board				
7	may lease fast lands and submerged lands within [an] any				
8	existing state boating facility, by public auction, a request				
9	for proposals, or by direct negotiation pursuant to section				
10	171-59 and chapter 190D, for private development, management,				
11	and operation[; provided that any lease of fast lands or				
12	submerged lands pursuant to a request for proposals shall be				
13	subject to section 200-2.6, regardless to which state boating				
14	facility the fast or submerged lands are attached].				
15	As used in this section, the term "state boating facility"				
16	means a state small boat harbor, launching ramp, offshore				
17	mooring, pier, wharf, landing, or any other area under the				
18	jurisdiction of the department pursuant to this chapter."				
19	SECTION 4. Section 200-2.6, Hawaii Revised Statutes, is				
20	repealed.				



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1	[" [§	200-2.6] Ala Wai boat harbor; leases. The fast lands	
2	and subme	rged lands of the Ala Wai boat harbor that may be	
3	leased in	clude the following:	
4	(1)	All fast lands and submerged lands described in the	
5		request for qualifications or request for proposals	
6		issued by the division of boating and ocean recreation	
7		of the department on November 25, 2008;	
8	(2)	The fast land described as a portion of tax map key:	
9		(1) 2-3-37-12, composed of approximately 112,580	
10		square feet, presently used for harbor offices and	
11		permitted vehicular parking; and	
12	-(3)	The fast land described as a portion of tax map key:	
13		(1) 2-3-37-12, which is a triangular area located	
14		Diamond Head of Mole B, presently used for permitted	
15		<pre>vehicular parking."]</pre>	
16	SECT	ION 5. All employees of the division of boating and	
17	ocean rec	reation of the department of land and natural resources	
18	who occupy civil service positions and whose functions are		
19	replaced as a result of this Act shall retain their civil		
20	service s	tatus, whether permanent or temporary. Employees shall	
21	be reassi	gned within the division of boating and ocean	

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1 recreation without loss of salary, seniority (except as 2 prescribed by applicable collective bargaining agreements), 3 retention points, prior service credit, any vacation and sick 4 leave credits previously earned, and other rights, benefits, and privileges in accordance with state personnel laws; provided 5 6 that subsequent changes in status may be made pursuant to applicable civil service and compensation laws. 7 8 SECTION 6. This Act does not affect rights and duties that 9 matured, penalties that were incurred, and proceedings that were 10 begun before its effective date. 11 SECTION 7. Statutory material to be repealed is bracketed 12 and stricken. New statutory material is underscored. 13 SECTION 8. This Act shall take effect upon its approval; provided that section 200- , Hawaii Revised Statutes, shall be 14 15 repealed on June 30, 2045. 16 INTRODUCED BY:

JAN 1 5 2025



Report Title:

BLNR; DLNR; DOBOR; State Boating Facility Lease Program; Ala Wai Small Boat Harbor; State Boating Facilities; Reports

Description:

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Establishes a State Boating Facility Lease Program within the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources to be administered by DOBOR. Authorizes the Board of Land and Natural to lease Ala Wai Small Boat Harbor for private development, management, maintenance, and operation. Repeals provisions relating to the leasing of fast lands and submerged lands of Ala Wai Boat Harbor. Requires annual reports to the Legislature. Repeals the State Boating Facility Lease Program on 6/30/2045.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.