

HB-1148

Submitted on: 2/9/2021 10:48:29 AM

Testimony for WAL on 2/11/2021 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
cheryl B.	Individual	Comments	No

Comments:

If this is another means for the BLNR to limit accessibility by the public, then please give this greater consideration. We are already challenged during these "new" times for on line meetings, announcements and public awareness of upcoming or current processes.



February 9, 2021

HOUSE OF REPRESENTATIVES
THE THIRTY-FIRST LEGISLATURE
REGULAR SESSION OF 2021

Rep. David A. Tarnas, Chair
Rep. Patrick Pihana Branco, Vice Chair

COMMITTEE ON WATER & LAND

DATE: Thursday, February 11, 2021
TIME: 8:30 a.m.
PLACE: VIA VIDEOCONFERENCE Conference Room 430

COMMENTS in regard to HB1148 Relating to Land and Natural Resources

Aloha Honorable Chair Tarnas, Vice Chair Branco and Members of the Committee on Water, & Land:

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 international, regional, and federal fisheries management and endangered species advisory committees as well as state marine, coastal zone, and fisheries advisory committees and working groups; and, HFACT is thoroughly familiar with and participates in ocean and marine resource management in Hawaii and the western and central Pacific.

HFACT wishes to make COMMENT to HB1148 relating to Land and Natural Resources. While HFACT understands that the process to adopt, amend, or repeal fees may be time consuming, we feel that public input is important in many cases. We support efficiency in government processes and thus suggest the following:

That any new fee shall be subject to Chapter 91; amending an existing fee shall be exempt from Chapter 91 only if the fee increase is 10% or less in any fiscal year, fee increase of over 10% shall be subject to Chapter 91; and, repeal of an existing fee shall be exempt from Chapter 91.

That HB1148 include a sunset of 5 years after enactment.



And, that the department provides a report to the Legislature on the number on fee adoptions, amendments, and repeals occurred during the five years from enactment.

Thank you, Chair Tarnas, Vice-chair Branco, and committee members for this opportunity to provide testimony in this matter.

Sincerely,

Phil Fernandez
President

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
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LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
WATER & LAND**

**Thursday, February 11, 2021
8:30 AM
State Capitol, Conference Room 430**

**In consideration of
HOUSE BILL 1148
RELATING TO LAND AND NATURAL RESOURCES**

House Bill 1148 proposes to authorize the Board of Land and Natural Resources to adopt, amend, or repeal administrative fee schedules without regard to Chapter 91, Hawaii Revised Statutes (HRS), and establishes a process for the board to adopt, amend, and repeal administrative fee schedules, including public notice and meeting requirements. **The Department of Land and Natural Resources (Department) strongly supports this measure.**

The Department agrees with the legislature that the current process for implementing fee schedules through Chapter 91, HRS, does not allow for changes to fee structures in response to rapidly changing economic conditions, or changing environmental, social and local community conditions managed and mitigated by the Department's divisions.

There is a term that indirectly applies to this measure: "Adaptive Management". This is a structured, iterative process of decision making in the face of uncertainty, with the goal to reduce uncertainty over time via monitoring. In this way, decision making meets management objectives and provides information needed for future management.

Embedding fees or other time sensitive management actions in statute or rulemaking can hinder Department management of resources and fees. As rulemaking typically will take 9 months to 2 years, and statutory revisions are on annual Legislative Session cycles, the opportunity to set a fee and test it in the market and with the public is cumbersome, and does not allow for seasonal or temporal adjustment, such as the hotel and airline industries have mastered. The term for this pricing flexibility is "dynamic pricing", which is the practice of varying the price for a product or

service to reflect rapidly changing market conditions, such as charging a higher price at a time of greater demand, or lower price when demand is low.

This adaptive management principle also applies to management actions such as game animal bag limits: reduce hunting when the population is low and increase when the population exceeds a threshold.

Public disclosure and participation is one of the primary requirements of rulemaking and legislation. Public engagement and transparency can be accomplished via the sunshine public hearing process of the Board of Land and Natural Resources.

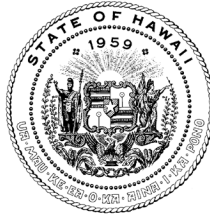
A recent example of this management application is the Department's Division of State Parks' implementation of the Hā'ena State Park Master Plan, which has already begun to employ adaptive management strategies to parking, pedestrian and shuttle entry by adjusting capacities on the fly for residents and visitors. It has long been the policy of many State and National Park areas to adjust pricing seasonally, and even more frequently, for various park fees, and camping and lodging. Hawai'i, despite its more moderate weather, does experience seasonal visitation, and demand fluctuates significantly for park activities seasonally. Presently our rigid pricing models, embedded in a cumbersome rulemaking process, do not allow for the dynamic pricing which has become the standard in many places and travel-related industries.

The Department's State Historic Preservation Division is in the process of revising fees which were adopted in 2002. The proposal will then need to go through official rulemaking processes.

The Department's Division of Boating and Ocean Resources (DOBOR) implements mooring fees that were determined by appraisal and set in statute. This measure if passed would clarify and allow for DOBOR to set fees through appraisals at the Board level, allowing for more flexibility due to changing or uncertain economic conditions.

Thank you for the opportunity to comment on this measure.

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Thank you for the opportunity to comment on this measure.

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Submitted on: 2/10/2021 8:19:12 AM

Testimony for WAL on 2/11/2021 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Bohlen	Individual	Support	No

Comments:

Strong support!



Ocean Tourism Coalition

The Voice for Hawaii's Ocean Tourism Industry

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Honolulu, HI 96813

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COMMITTEE ON WATER & LAND

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Rep. Patrick Pihana Branco, Vice Chair

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Rep. Dee Morikawa

Rep. Bertrand

Rep. Takashi Ohno

Kobayashi

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Rep. Bob McDermott

NOTICE OF HEARING

DATE: Thursday, February 11, 2021

TIME: 8:30A.M.

**TESTIMONY OF THE OCEAN TOURISM COALITION COMMENTS TO
HB1148 AS WRITTEN.**

Dear Chair Tarnas, Vice Chair Branco, and Members of the Committee on Water and Land:

The Ocean Tourism Coalition (“OTC”) represents over 300 ocean tourism businesses statewide. The topic of “fees” is a very sensitive area for the OTC this session. OTC Members have been completely devastated by the COVID-19 Pandemic. All operators must sharpen their pencils and be careful to budget for every single expense.

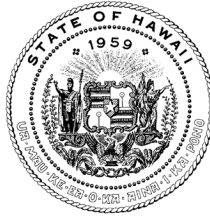
OTC understands that H.A.R. 91 rule making procedures are both outdated and inflexible, and we recognize the need to allow an agency to make minor rule changes. OTC initiated discussions with DLNR to discuss the intent of HB1148, and the agency indicated the bill is only intended to simplify changes to *basic* administrative fees, such as parking fees or boat registration fees. HB1148 is not a mechanism to change commercial boating fees, such as changing the fee of 3% of gross receipts in H.A.R. 13-230-8 or H.R.S. 200-10(c)(5).

Notwithstanding the foregoing, one area of concern of HB1148 is the lack of the review by the Small Business Regulatory Review Board. While the Rule 91 process is outdated, it does require that rule changes affecting small businesses be evaluated by the

Small Business Regulatory Review Board. Therefore, OTC is requesting that HB1148 require Small Business Regulatory Review Board approval *prior to any increase in administrative fees* under the process outlined in the Bill.

Sincerely,
Zachary LaPrade, Director, OTC

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