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## SENATE RESOLUTION

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REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF THE  
MANAGEMENT OF STATE BOATING FACILITIES BY THE DIVISION OF  
BOATING AND OCEAN RECREATION OF THE DEPARTMENT OF LAND AND  
NATURAL RESOURCES.

1 WHEREAS, small boat harbors and boating facilities are part  
2 of the state's ocean recreation and coastal areas programs  
3 established in Chapter 200, Hawaii Revised Statutes (HRS), and  
4 are managed by the Department of Land and Natural Resources'  
5 Division of Boating and Ocean Recreation (Boating Division); and  
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7 WHEREAS, the proper operation and maintenance of small boat  
8 harbors allows the public to benefit from the State's natural  
9 resources by engaging in recreational boating, commercial and  
10 personal fishing, and maritime-related business operations; and  
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12 WHEREAS, residents and visitors alike use boating  
13 facilities to participate in ocean-based activities such as  
14 yacht races, canoe regattas, ocean swimming, and surfing and  
15 board sailing contests; and  
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17 WHEREAS, inadequate management of state boating facilities  
18 has been a recurring problem, as cited in Auditor Report No.  
19 01-09, "Audit of the Management of State Boating Facilities by  
20 the Department of Land and Natural Resources"; and  
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22 WHEREAS, the Auditor's audit report of 1993 and its follow-  
23 up audit report and audit report of 1998 also attest to the  
24 problem of inadequate management, which changed little in the  
25 2001 or 2006 audit reports; and  
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27 WHEREAS, the Boating Division's mismanagement and neglect  
28 has deteriorated boating facilities to the point where their  
29 continued use threatens public safety; and  
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31 WHEREAS, of all the State's small boat harbors, perhaps the  
32 best known is Ala Wai Harbor in Honolulu; and  
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1 WHEREAS, the Ala Wai Harbor facilities are in effect  
2 dysfunctional and is causing the State to lose fee revenues; and  
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4 WHEREAS, the Ala Wai Harbor facilities, like many of the  
5 State's other harbors, need major repairs; and  
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7 WHEREAS, the 2001 Auditor's report also found that the  
8 Boating Division lacked adequate controls to ensure the accuracy  
9 and integrity of its financial affairs, such as determining the  
10 cost of operating its boating facilities; and  
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12 WHEREAS, in response to the 2001 Auditor's report, the  
13 Legislature enacted Act 285, Session Laws of Hawaii 2001,  
14 codified as section 200-19, HRS, to allow for private financing  
15 of small boat harbor improvements by execution of a capital  
16 advancement contract between the Board of Land and Natural  
17 Resources and a private party; and  
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19 WHEREAS, Act 259, Session Laws of Hawaii 2001, appropriated  
20 the sum of \$2,000,000 for fiscal year 2001-2002, and the sum of  
21 \$3,000,000 for fiscal year 2002-2003 for repair and maintenance  
22 of small boat harbor facilities; and  
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24 WHEREAS, Act 41, Session Laws of Hawaii 2004, appropriated  
25 the sum of \$9,000,000 for fiscal year 2004-2005 for improvements  
26 at various existing boating facilities throughout the state and  
27 other berthing and shore facilities including boat ramps; and  
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29 WHEREAS, Act 178, Session Laws of Hawaii 2005, appropriated  
30 the sum of \$5,000,000 for fiscal year 2005-2006 for improvements  
31 at various boating facilities; and  
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33 WHEREAS, Act 213, Session Laws of Hawaii 2007, appropriated  
34 the sum of \$1,840,000 for fiscal biennium 2007-2009 for  
35 improvements at various boating facilities; and  
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37 WHEREAS, the portion of Auditor Report No. 06-04,  
38 "Financial Audit of the Department of Land and Natural  
39 Resources" relating to the Boating Division, found that although  
40 some of the prior recommendations had been implemented, the  
41 absence of effective management oversight continues to plague  
42 the Boating Division; and  
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1 WHEREAS, in spite of the Legislature's continued efforts to  
2 rectify the problem of repair, maintenance, and management of  
3 the boat harbors, problems continue to persist; now, therefore,  
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5 BE IT RESOLVED by the Senate of the Twenty-fifth  
6 Legislature of the State of Hawaii, Regular Session of 2010,  
7 that the Auditor is requested to conduct a follow-up audit to  
8 the 2001 Audit of the Management of State Boating Facilities by  
9 the Department of Land and Natural Resources (Report No. 01-09)  
10 and the portion of the 2006 Financial Audit of the Department of  
11 Land and Natural Resources (Report No. 06-04) relating to the  
12 Division of Boating and Ocean Resources, particularly as it  
13 applies to the Ala Wai Harbor; and  
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15 BE IT FURTHER RESOLVED that the Auditor report its findings  
16 and recommendations to the Legislature not later than 20 days  
17 prior to the convening of the Regular Session of 2011; and  
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19 BE IT FURTHER RESOLVED that certified copies of this  
20 Resolution be transmitted to the Chairperson of the Board of  
21 Land and Natural Resources and the Auditor.  
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OFFERED BY: 

