LINDA LINGLE GOVERNOR OF HAWAH





LAURA H. THIELEN CHAIRFERSON BOARD OF LAND AND NATURAL RESOURCES OMMISSION ON WATER RESOURCE MANAGEMEN

RUSSELL Y. TSUJI

KEN C. KAWAHARA DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU DF COVIEY ANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COSATAL LANDS CONSERVATION AND COSATAL LANDS CONSERVATION AND ARSOURCES BEFORCEMENT ENGINEER NO FORESTRY AND WILDLYE HISTORIC PRESERVATION KAHOOLAWB BLAND RESERVE COMMISSION LAND STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of LAURA H. THIELEN Chairperson

Before the House Committee on WATER, LAND, & OCEAN RESOURCES

Monday, February 09, 2009 9:30 AM State Capitol, Conference Room 325

In consideration of HOUSE BILL 1310 RELATING TO OCEAN RECREATION

House Bill 1310 proposes to delete: (1) Prohibition of commercial operation of thrill craft, water sledding, parasailing, or high speed boating in Maunalua Bay, Oahu, on weekends and holidays; (2) Requiring that commercial use and operator permits (permit) for commercial thrill craft and parasailing activities be issued at public auction, and (3) Maximum term of permit issue of 20 years. The Department of Land and Natural Resources (Department) takes no position on prohibiting commercial operation in Maunalua Bay as the Department has not had an opportunity to consult with the community. The Department however does not support the proposed deletion of the existing language in section 200-37(l), Hawaii Revised Statutes (HRS).

Currently, no commercial operator shall engage in thrill craft, parasailing, water sledding, and high speed boating operations in Maunalua Bay (Bay), Oahu, on weekends and state and federal holidays. In addition, all commercial operations are prohibited on Sundays. This requirement was originally put in place due to the community's concerns with the amount of commercial activity taking place in the Bay which hampered their ability to engage in recreational activities. The Department notes that there are only two commercial thrill craft operators actively working in the Bay and parasailing and other commercial activities take place outside the Bay. Certainly, user conflicts between the variety of ocean recreation activities during high-use times like weekends and holidays continue to create public safety issues and therefore, this action may be premature.

The Department does not support the deletion of section 200-37(l), HRS, as the Department feels that the fairest and most equitable way to issue new commercial use and operator permits for commercial thrill craft and parasailing activities is by public auction.



MĀNOA

RL:2229

HB 1310 **RELATING TO OCEAN RECREATION**

House Committee on Water, Land and Ocean Resources

Public Hearing – February 9, 2009 9:30 a.m., State Capitol, Conference Room 325

By

Peter Rappa, Environmental Center

HB 1310 deletes: (i) prohibition of commercial operation of thrill craft, water sledding, parasailing, or high speed boating in Maunalua Bay, Oahu, on weekends and holidays; (ii) requirement that permits be issued at public auction; and (iii) maximum term of permit issue of 20 years. We emphasize that our testimony on this measure does not represent an official position of the University of Hawaii.

We have no comment on how permits are issued or with the maximum term of the permit. We do, however, have some reservations about deleting the prohibition on the operation of thrill craft, water sledding, parasailing, and high speed boating in Maunalua Bay.

Over the past three years, Malama Maunalua, a community-based group has been actively working to conserve and restore the deteriorating bay. The bay is heavily used for both commercial and personal recreational activities everyday. During the week when most of the residents of East Honolulu are working the Bay is not as heavily used as on the weekends. On the weekends, use noticeably increases as residents have more time to enjoy the bay. Allowing commercial activities to compete for space in the bay could increase the potential for accidents.

In addition to safety reasons, there is evidence that jet skis pollute the bay by leaking oil and gas into the water. There is already a serious problem with the sediment deposited in Maunalua Bay. Jet skis add to this problem by churning up the silt in this very shallow site every weekday. Once the prohibition is lifted, the suspension of fine silts will occur every day. There is also anecdotal evidence that the use of thrill craft is impacting fish populations. Several long time fishers have said that jet skis are chasing out the fish. Given that the fish populations are already depleted some species by more than 75% from 40 years ago, this could potentially be significant.

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Malama Maunalua is supported in its work by a coalition of organizations including the Polynesian Voyaging Society, The Nature Conservancy and the University of Hawaii Sea Grant College Program (full disclosure, I work for Sea Grant as well as the Environmental Center). Work to restore the bay would be assisted by keeping present bans in place.

Thank you for the opportunity to comment on this bill

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February 7, 2009

As a professor whose area of instruction is in the business of Culinary and Hospitality, I would like to state my support for HB1310, which seeks to repeal the ridiculous twenty year limit on parasailing and jet ski operators and the weekend ban in Maunalua Bay. I find these limits to be extremely anti-business and it needs to be corrected, especially in this time of economic hardship for the State's small businesses.

Unlike parasailing and jet skiing, other water activities are not burdened with a limit on either weekend operations or a permit term limit that prevents them from obtaining an adequate return on their investment. I know this from personal experience as I used to own another type of water activity before I sold the business over five years ago and although I had to deal with the same asinine weekend restrictions, I am fortunate that there was no term limit on my permit. As long as I paid my fees and my taxes and continued to operate in a safe manner, I could run my company without fear that I would eventually not have a business. A term limit on the length of my permit would have prevented me from being able to raise the capital necessary to start and operate my business and to obtain the funds needed to make the re-investments into my business to keep it safe for my customers.

I still love the watersports industry and I appreciate how it contributes to the high-quality experience of our visitors to Hawai'i. Tourism is a very fragile commodity that can be easily damaged. Hawai'i's hospitality industry has to be competitive on a global basis and this means that the state legislators must begin to recognize that they have a responsibility to assist that economic engine through sensible and business-friendly rules and regulations. Mahalo for your time,

Ron Takahashi, CFBE, CHE, MBA Associate Professor Kapi`olani Community College

Representative Ken Ito, Chair Representative Sharon E, Har Vice-Chair Committee on Water, Land and Ocean Resources

Name: Matthew Kaneshiro Address: Ph:

Monday, February 9 2009

Support of HB1310 RELATING TO OCEAN RECREATION

Aloha,

I am writing to voice my strong support of this bill and its intent to delete the 20-year maximum permit term for parasailing and commercial thrill craft, commercial use and operator permit. I also support deleting the entire provision that puts a permit up for auction after this 20-year maximum permit term.

Also, I strongly support and applaud permit holders that endure the test of time of owning a business in Hawaii. Your efforts of sharing additional ways and means of exploring Hawaii's beauty in the ocean and on land, helps Hawaii be Hawaii.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20-year term imposed by this statute is both discriminatory and unreasonable to all State of Hawaii small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments. Please keep our tourist operations safe by encouraging experienced operators to stay in business.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

Finally, in supporting this amendment in HB1310 this would help delete the prohibition of commercial operation of thrill craft, parasailing, water sledding or high speed boating in Mauanalua Bay on weekends and holidays. This section restricts the ability of these companies to offer activities on weekends and holidays. This limits revenue, which affects the state in both permit fees and taxes. This provision is also discriminatory, as other similar businesses do not have such a punitive operating restriction. We must support our tourist businesses and keep them viable and healthy. I urge the committee to support and readily pass these measures.

Thank you for this opportunity to testify.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 5:01 PM

To:	WLOtestimony

Cc:

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Dan Kelly Organization: Individual Address: Phone: E-mail Submitted on: 2/6/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term. Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments. We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction. I also support the amendment in this bill that will delete the prohibition of commercial operation of thrill craft, parasailing, water sledding or high speed boating in Mauanalua Bay on weekends and holidays. This section restricts the ability of these companies to offer activities on weekends and holidays. This section restricts the state in both permit fees and taxes. This provision is also discriminatory as other similar businesses do not such a punitive operating restriction. We must support our tourist businesses, keep them viable and healthy. I urge the committee to support and readily pass these measures.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 8:30 PM

To:	WLOtestimony
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Cc:

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Nick Yuzawa Organization: Individual Addres Phone E-mail: Submitted on: 2/6/2009

Comments: Support of HB1310 RELATING TO OCEAN RECREATION

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments. Please keep our tourist operations safe by encouraging experienced operators to stay in business. Please help small business by voicing your support of HB1310.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

HB 1310

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

I also support the amendment in this bill that will delete the prohibition of commercial operation of thrill craft, parasailing, water sledding or high speed boating in Mauanalua Bay on weekends and holidays. This section restricts the ability of these companies to offer activities on weekends and holidays. This limits revenue which affects the state in both permit fees and taxes. This provision is also discriminatory as other similar businesses do not such a punitive operating restriction. We must support our tourist businesses. I urge the committee to support and readily pass these measures.

I work in this industry and we need operators that will continue to create viable, long term employment for our residents. Small business must be supported! This is such a simple and logical issue. Granting this request will increase revenues to the state, this small business, the businesses this company supports and add revenue to a difficult economy.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Saturday, February 07, 2009 1:06 PM

To:	WLOtestimony
Cc:	

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: David C. Livingston Organization: Individual Address: Phone E-mail Submitted on: 2/7/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Saturday, February 07, 2009 1:24 PM

To:	WLOtestimony
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Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: Kale Galanto Organization: Individual Address: Phone: E-mail: Submitted on: 2/7/2009

Comments:

I am writing in support of this bill to remove the 20 year maximum "business right to use permit" for parasail and commercial thrill craft activities. No business should be forced to have a shelf life and be kicked to the curb. If tourism is Hawaii's main industry would it make sense to promote small business in the industry that provides a much loved aspect of our grate state (the ocean). I also support the amendment in this bill to remove the prohibition of all commercial water related activities in maunalua bay on weekends and holidays. Not only is it a loss of revenue in taxes to the state it is a disappointment to so many of the guests in our islands who want the opportunity to enjoy time on the ocean as do so many of our locals who only have the weekends and holidays to be able to experience what vacationers can see. I urge the committee to support and pass these measures.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 9:26 AM

To:	WLOtestimony
Cc:	

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: Greg VanderLaan Organization: RVL. Inc Address Phone: E-mail: Submitted on: 2/6/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

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Testimony for HB1310 on 2/9/2009 9:30:00 AM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 9:25 AM

To: WLOtestimony



Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: Greg VanderLaan Organization: KMBS, Inc. Address: Phone E-mail Submitted on: 2/6/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 9:25 AM

To:	WLOtestimony	
Cc:		

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: Greg VanderLaan Organization: KBTS, Inc Address: Phone E-mail: Submitted on: 2/6/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

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232

Testimony for HB1310 on 2/9/2009 9:30:00 AM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 9:25 AM

To:	WLOtestimony
C	

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: Greg VanderLaan Organization: UFO Chuting of Hawaii, Inc. Address: Phone: E-mail: Submitted on: 2/6/2009

Comments:

I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

Support HB1310

My name is Kathleen Takahashi and I am writing to voice my strong support of this bill and its intent to delete the 20 year maximum permit term for parasailing and commercial thrill craft commercial use and operator permits. I also support deleting the entire provision that puts a permit up for auction after this 20 year maximum permit term.

Permit holders that have met the state's requirements in the statute (in compliance with all the rules, payment of taxes and a good safety record) should be able to own their businesses in perpetuity. A 20 year term imposed by this statute is both discriminatory and unreasonable to our state's small business owners. These types of businesses require significant capitalization to ensure safe operation; extensive employee training and on-going equipment investments.

We must aggressively support our state's tourism operators and keep them viable entities by removing this unfair and unreasonable restriction.

I also support the amendment in this bill that will delete the prohibition of commercial operation of thrill craft, parasailing, water sledding or high speed boating in Mauanalua Bay on weekends and holidays. This section restricts the ability of these companies to offer activities on weekends and holidays. This limits revenue which affects the state in both permit fees and taxes. This provision is also discriminatory as other similar businesses do not such a punitive operating restriction. We must support our tourist businesses. I urge the committee to support and readily pass these measures.

I work in this industry and we need operators that will continue to create viable, long term employment for our residents. Small business must be supported! This is such a simple and logical issue. Granting this request will increase revenues to the state, this small business, the businesses this company supports and add revenue to a difficult economy.

I also want to suggest that the bill be amended to accomplish this purpose. DL&NR pointed out that there were imperfections in the way the bill was written. Therefore, I would like to suggest that section (I) is **left in**:

 All new commercial use and operator permits issued by the department for commercial thrill craft, and parasailing activities after June 18, 1996 shall be issued at public auction.

The section that should be **deleted** is this:

(n) Upon expiration of the twenty-year period, the permit may be offered for public auction as provided in this chapter; provided that he previous permit holder shall be offered the right of first refusal in accordance with departmental rules; and provided further that the permit holder shall agree to match the highest bid offered at the public auction.

Please fully support this measure. Thank you for the work you all do.

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Friday, February 06, 2009 4:30 PM

To:	WLOtestimony

Cc:

Testimony for WLO 2/9/2009 9:30:00 AM HB1310

Conference room: 325 Testifier position: support Testifier will be present: Yes Submitted by: cole ciliax Organization: Individual Address: Phone E-mail: Submitted on: 2/6/2009

Comments:

I am writing to support this bill to delete the 20 year limit on the para sailing permit as well as the deletion of the personal thrill watercraft permit. I also support the deletion of auctioning off the permit.

I also support the removal of the weekend restriction for thrill craft.

Please support our small businesses!