

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
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
STATEPARKS

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
FINANCE**

**Wednesday, February 29, 2012
1:30 P.M.
State Capitol, Conference Room 308**

**In consideration of
HOUSE BILL 2589, HOUSE DRAFT 2
RELATING TO VESSELS**

House Bill 2589, House Draft 2 proposes to clarify responsibility for disposing of abandoned vessels within the State and amend the description of an abandoned vessel. The Department of Land and Natural Resources (Department) strongly supports this Administration measure.

Generally, current statutes place the burden of disposal of all abandoned vessels on the Department, regardless of whether the vessels lie abandoned on public lands under another agency's jurisdiction or on private lands. The Department has the ability to take boats off reefs, but has no equipment or expertise to remove abandoned boats on public streets or other fast lands. The disposition is both costly and time-consuming for the Department. This bill clarifies that the Department shall only be responsible for the disposition of vessels abandoned on lands and waters under its jurisdiction and release the Department from having to pay for the disposing of abandoned vessels on lands and waters not under its jurisdiction.

Section 200-51, Hawaii Revised Statutes (HRS), specifically provides that when any person abandons a vessel upon the premises of a vessel repair business, a private marina, or a yacht club, the owner of the business or private marina, or the owner's representative, or the designated representative of the yacht club, may sell or dispose of the vessel in accordance with PART IV of Chapter 200, HRS. This bill proposes to expand the authority to sell or dispose of a vessel abandoned on other private property to the owners of the other private property.

Thank you for the opportunity to comment.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov/council

February 28, 2012

TO: The Honorable Marcus R. Oshiro, Chair
House Committee on Finance

FROM: Danny A. Mateo
Council Chair

SUBJECT: **HEARING OF FEBRUARY 29, 2012; TESTIMONY IN OPPOSITION TO
HB 2589, HD2, RELATING TO VESSELS**

Thank you for the opportunity to testify in opposition to this important measure. The purpose of this measure is to clarify the responsibility for disposing of abandoned vessels, and amend the definition of an abandoned vessel.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I oppose this measure for the following reasons:

1. This measure transfers the responsibility for the removal of abandoned vessels from the State to the counties when the vessel is abandoned on county property; however, the measure fails to provide any corresponding source of funding to cover the counties' costs to start a removal program, and to pay for future removal operations.
2. In testimony before the House Committee on Water, Land & Ocean Resources, the Department of Land and Natural Resources confirmed that "disposition is both costly and time-consuming." This bill shifts the costly and time-consuming responsibility to dispose of abandoned vessels to the counties, without also funding the mandate.
3. If this measure is passed, it should be revised to include an unspecified amount to provide funding for the counties to establish and continue vessel removal programs.

For the foregoing reasons, I oppose this measure.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
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February 28, 2012

TO: Honorable Marcus Oshiro, Chair
House Committee on Public Safety & Military Affairs

FROM: Joseph Pontanilla, Council Vice-Chair

A handwritten signature in cursive script that reads "Joseph Pontanilla".

DATE: Wednesday February 29, 2012

SUBJECT: **OPPOSITION TO HB 2589, HD 2, RELATING TO VESSELS**

Thank you for the opportunity to testify in opposition of this measure. I provide this testimony as an individual member of the Maui County Council.

I **oppose** HB 2589, HD 2 for the reasons cited in testimony submitted by Maui County Council Chair Danny A. Mateo and urge you to oppose this measure.

12:02:27:kbn/JP: HB 2589 HD2

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

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www.mauicounty.gov/council

February 28, 2012

The Honorable Marcus R. Oshiro, Chair
House Committee on Finance
Hawaii State Capitol, Conference Room 308
Honolulu, Hawaii 96813

Dear Chair Oshiro:

**Re: Testimony in Opposition to HB 2589, HD 2 relating to Vessels
(Public Hearing on February 29, 2012 at 1:30 pm in Conference Room 308)**

As the Lana`i member on the Maui County Council, I would like to offer testimony in opposition to HB 2589, HD2. This measure clarifies responsibility for disposing of vessels and amends the description of an abandoned vessel.

I oppose the proposed measure, because it would place new responsibilities and added costs on county enforcement agencies to undertake duties currently performed by the State. I concur with testimony in opposition submitted by Maui County Council Chair, Danny A. Mateo on the proposed measure.

Thank you for the opportunity to offer this testimony in opposition.

Sincerely,

A handwritten signature in black ink, appearing to read "Riki Hokama".

Riki Hokama, Councilmember- Lana`i

cc: Council Chair Danny A. Mateo

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
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www.mauicounty.gov/council

February 28, 2012

TO: Honorable Marcus R. Oshiro, Chair
House Committee on Finance

FROM: Robert Carroll
Council Member, East Maui

A handwritten signature in cursive script that reads "Robert Carroll".

DATE: Wednesday, February 29, 2012

SUBJECT: **OPPOSITION OF HB 2589 H.D. 2, RELATING TO VESSELS=**

I OPPOSE HB 2589 HD2 for the reasons cited in testimony submitted by the Maui County Council Chair, and urge you to oppose this measure.

DEPARTMENT OF PARKS & RECREATION
CITY AND COUNTY OF HONOLULU

1000 Uluohia Street, Suite 309, Kapolei, Hawaii 96707
Phone: (808) 768-3003 • Fax: (808) 768-3053
Website: www.honolulu.gov

PETER B. CARLISLE
MAYOR



GARY B. CABATO
DIRECTOR

ALBERT TUFONO
DEPUTY DIRECTOR

February 28, 2012

The Honorable Marcus R. Oshiro, Chair
and Members of the House Committee on Finance
Hawaii State Capitol, Room 407
Honolulu, Hawaii 96813

Dear Chair and Committee Members:

Subject: H.B. 2589, HD2, Relating to Vessels

The Department of Parks and Recreation vehemently opposes H.B. 2589 HD2.

The complete responsibility of water craft is the sole responsibility of the Department of Land and Natural Resources to collect fees and registration of water vessels. The registration data of water vessels will be stored on DLNR's data base which the City does not have access to obtain owner's information. The City does not have the authority to impound or to dispose of water vessels before going through property disposal state laws that is provided only to DLNR. The City would incur added costs in additional salaries and removal services. Such services, if transferred from the State, should come with funds and or staff to allow the City to perform the duties not a mechanism to perform contested case hearings.

Additional storage property must be secured to store impounded water vessels or the City will incur additional costs to pay for private storage space. It would require an additional funding source.

Should you have any questions, please contact Mr. John Reid, Planner, at 768-3017.

Sincerely,

A handwritten signature in black ink that reads "Gary B. Cabato, Jr." in a cursive style.

for GARY B. CABATO
Director

GBC:jr

DEPARTMENT OF FACILITY MAINTENANCE
CITY AND COUNTY OF HONOLULU

1000 Ulu`ohia Street, Suite 215, Kapolei, Hawaii 96707
Phone: (808) 768-3343 • Fax: (808) 768-3381
Website: www.honolulu.gov

PETER B. CARLISLE
MAYOR



WESTLEY K.C. CHUN, Ph.D., P.E., BCEE
DIRECTOR & CHIEF ENGINEER

KENNETH A. SHIMIZU
DEPUTY DIRECTOR

IN REPLY REFER TO:

February 29, 2012

The Honorable Marcus R. Oshiro, Chair
and Members of the Finance Committee
House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 306
Honolulu, HI 96813

Dear Chair Oshiro and Committee Members:

Subject: House Bill 2589, HD2 Relating to Vessels

The City and County of Honolulu Department of Facility Maintenance continues to oppose H.B. 2589, HD2 which seeks to transfer the responsibility for abandoned vessels from the State Department of Land and Natural Resources to the counties when the vessels are abandoned on public property within the county's jurisdiction or to private property owners when the vessels are abandoned on privately owned property.

The State Department of Land and Natural Resources (DLNR) regulates vessels and administers the statewide vessel registration program that documents ownership of vessels and collects fees for all registered vessels in the State of Hawaii. This bill which seeks to transfer the responsibility to investigate, remove, dispose or auction vessels which may be abandoned to the counties or owners of property who do not have access to vessel ownership records is flawed. The proposed fix to the HB 2589, HD2 will require the State to "provide to the respective county access to the department's vessel registration and marine document records or those of the United States Coast Guard for the purposes of this section" but there is no deadline for the State to provide these records. The effective date of this Act is described in Section 12 to be "upon its approval; provided that county responsibility under this Act for each county shall commence: (1) Upon a county's access to vessel registration and marine document records of the Department of Land and Natural Resources or the United States Coast Guard as required under section 1 of this Act; or (2) On January 1, 2013; whichever is earlier." Should DLNR not provide records access to each of the counties by January 1, 2013, the counties will be unable to determine ownership, which is critical for any county to reasonably address abandoned vessels on county public property.

The Honorable Marcus R. Oshiro, Chair
and Members of the Finance Committee
February 29, 2012
Page 2

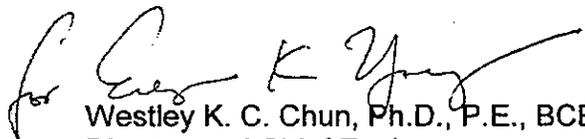
The bill continues to be flawed in regards to the decision of whether a vessel is abandoned may be made by only the chairperson of DLNR for property under DLNR's jurisdiction, state department or agency through its director for property under that State agency's jurisdiction, or mayor or chief of police with regard to vessels abandoned on public property in the county's jurisdiction. The bill does not identify who will decide whether a vessel is abandoned on privately owned property. Previously the chairperson of DLNR decided whether any vessel is abandoned.

The proposed bill also requires that a written notice be posted on the vessel and a duplicate be sent by registered or certified mail to any owner registered with the department (DLNR) or US Coast Guard. Since the proposed bill requires an administrative hearing to be held and currently the counties do not have administrative rules for holding these hearings for abandoned vessels, the counties would be unable to properly address requirements of this proposed bill.

The proposed bill requires that the county follow specific costly requirements to notify the vessel owner, remove, impound, ascertain value and dispose of or hold an auction for the possible abandoned vessel depending on the value of the vessel. Expenses will need to be documented for the investigation, removal, impoundment, appraisal and auctioning of the vessel with all proceeds exceeding the expenses incurred to be paid to the State Department of Land and Natural Resources. The bill also requires expenses for vessels that are disposed or that do not equal or exceed the auction costs to be borne by the counties or private property owners. The costs borne by the counties or private property owners to address a State regulated program is an unfunded mandate that is inappropriate.

We appreciate the opportunity to provide testimony on this important legislation.

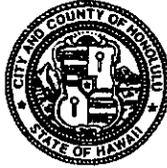
Sincerely,



Westley K. C. Chun, Ph.D., P.E., BCEE
Director and Chief Engineer

DEPARTMENT OF CUSTOMER SERVICES
CITY & COUNTY OF HONOLULU
DIVISION OF MOTOR VEHICLE, LICENSING AND PERMITS
ADMINISTRATION
P.O. BOX 30300
HONOLULU, HAWAII 96820-0300

PETER B. CARLISLE
MAYOR



GAIL Y. HARAGUCHI
DIRECTOR

DENNIS A. KAMIMURA
LICENSING ADMINISTRATOR

February 27, 2012

The Honorable Marcus Oshiro, Chair
and Committee Members
Committee on Finance
House of Representatives
State of Hawaii
State Capitol, Room 306
Honolulu, Hawaii 96813

Dear Chair Oshiro and Committee Members:

Subject: H.B. No. 2589 HD2, Relating to Vessels

The City and County of Honolulu is in strong opposition to H.B. No. 2589 HD2 which will remove the Department of Land and Natural Resources' responsibility of towing abandoned vessels from public streets.

Since this is a new mandate that was previously the responsibility of the State, we recommend the bill be amended with the addition of an unspecified amount for the counties to administer this new program and a source of revenue for the funding of continuing future abandoned vessel removal operations.

If the removal of abandoned vessels will be accomplished by county employees, we recommend that Section 6 of the bill be amended by providing that the excess of the proceeds from the sale of the vessel over the expenses incurred be deposited in the county general fund.

Lastly, we recommend that the effective date of the bill be amended to July 1, 2013, so that the counties will have sufficient time to negotiate abandoned and derelict vessel tow contracts, establish online connectivity and for training of county inspectors.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Kamimura".

Dennis A. Kamimura
Licensing Administrator