

MAR 07 2013

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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, and are  
4 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 allow the public to benefit from the State's natural  
9 marine resources through 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 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 report in 1993 and its follow-up  
23 report in 1998 also attest to the problem of inadequate  
24 management, which had changed little when further audits were  
25 conducted in 2001 and 2006; and  
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27 WHEREAS, the Boating Division's mismanagement and neglect  
28 has resulted in boating facilities deteriorating to the point  
29 where their continued use threatens public safety; and  
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31 WHEREAS, of the State's small boat harbors, perhaps the  
32 best known is Ala Wai small boat harbor in Honolulu; and  
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1 WHEREAS, the Ala Wai small boat harbor facilities, like  
2 many of the State's other small boat harbors, need major repairs  
3 and maintenance; and  
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5 WHEREAS, the 2001 Auditor's report also found that the  
6 Boating Division lacked adequate controls to ensure the accuracy  
7 and integrity of its financial affairs, such as determining the  
8 cost of operating its boating facilities; and  
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10 WHEREAS, in response to the 2001 Auditor's report, the  
11 Legislature passed S.B. No. 755, which was enacted as Act 285,  
12 Session Laws of Hawaii 2001, and codified as section 200-19,  
13 Hawaii Revised Statutes, to allow for private financing of small  
14 boat harbor improvements by execution of a capital advancement  
15 contract between the Board of Land and Natural Resources and a  
16 private party; and  
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18 WHEREAS, Act 259, Session Laws of Hawaii 2001, appropriated  
19 the sum of \$2,000,000 for fiscal year 2001-2002, and the sum of  
20 \$3,000,000 for fiscal year 2002-2003, for repair and maintenance  
21 of small boat harbor facilities; and  
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23 WHEREAS, Act 41, Session Laws of Hawaii 2004, appropriated  
24 the sum of \$9,000,000 for fiscal year 2004-2005 for improvements  
25 at various existing boating facilities throughout the State and  
26 other berthing and shore facilities including boat ramps; and  
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28 WHEREAS, Act 178, Session Laws of Hawaii 2005, appropriated  
29 the sum of \$5,000,000 for fiscal year 2005-2006 for improvements  
30 at various boating facilities; and  
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32 WHEREAS, Act 213, Session Laws of Hawaii 2007, appropriated  
33 the sum of \$1,840,000 for fiscal biennium 2007-2009 for  
34 improvements at various boating facilities; and  
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36 WHEREAS, the portion of Auditor Report No. 06-04,  
37 "Financial Audit of the Department of Land and Natural  
38 Resources", relating to the operation and management of the  
39 Boating Division found that although some of the prior  
40 recommendations had been implemented, the absence of effective  
41 management oversight continues to plague the Boating Division;  
42 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 small boat harbors, the problems persist; now, therefore,  
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5 BE IT RESOLVED by the Senate of the Twenty-seventh  
6 Legislature of the State of Hawaii, Regular Session of 2013,  
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 Recreation, particularly as it  
13 applies to the Ala Wai small boat harbor; and  
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15 BE IT FURTHER RESOLVED that the Auditor is requested to  
16 report findings and recommendations, including any proposed  
17 legislation, to the Legislature no later than twenty days prior  
18 to the convening of the Regular Session of 2014; and  
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20 BE IT FURTHER RESOLVED that certified copies of this  
21 Resolution be transmitted to the Chairperson of the Board of  
22 Land and Natural Resources and the Auditor.  
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OFFERED BY:  \_\_\_\_\_

