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STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of WILLIAM J. AILA, JR. Chairperson

Before the House Committee on WATER & LAND

Monday, March 17, 2014 8:00 AM State Capitol, Conference Room 325

In consideration of

HOUSE CONCURRENT RESOLUTION 162/HOUSE RESOLUTION 122 REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE FEASIBILITY OF ESTABLISHING A KEIKI, 'OPIO, AND KUPUNA TRUST FUND AS A MEANS TO ENCOURAGE INDIVIDUALS TO MAKE STRONG FINANCIAL INVESTMENTS WHILE SUPPORTING CONSERVATION, REFORESTATION OF HAWAII'S NATIVE TREES, ENVIRONMENTAL STEWARDSHIP, SUSTAINABLE FOOD AND ENERGY PRODUCTION, AND PROGRAMS THAT SUPPORT AND BENEFIT KEIKI, 'OPIO, AND KUPUNA, AND TO ESTABLISH AN ECO-TOURISM PROGRAM THAT ALLOWS VISITORS AND RESIDENTS OF HAWAII TO CONTRIBUTE TOWARD PLANTING NATIVE OR FOOD-BEARING TREES IN DESIGNATED AREAS

House Concurrent Resolution 162/House Resolution 122 requests the Department of Land and Natural Resources to study the feasibility of establishing a keiki, 'opio, and kupuna trust fund as a means to encourage individuals to make strong financial investments while supporting conservation, reforestation of Hawaii's native trees, environmental stewardship, sustainable food and energy production, and programs that support and benefit keiki, 'opio, and kupuna, and to establish an eco-tourism program that allows visitors and residents of Hawaii to contribute toward planting native or food-bearing trees in designated areas. **The Department of Land and Natural Resources (Department) appreciates the intent of these measures but does not believe they are necessary.**

While the Department strongly supports initiatives to encourage private and public entities to invest in sustainable forest management, the Department notes it already has the administrative ability to accept funds to purchase and plant native or food bearing trees with the existing Forest Stewardship Special Fund (Section 195F-4, Hawaii Revised Statutes). Investment earnings are included as part of the assets of the fund and are carried forward to future fiscal years. However, as forest management and restoration are often costly and not a single investment event,

generally there is not sufficient funding available to manage the state's forest reserves, let alone provide revenue for other state programs. A new administrative overlay with the creation of a trust fund will create inefficiencies with the management of any funding collected.

The Department recognizes the opportunity to work with the tourism and hotel industries to encourage visitors to participate in eco-tourism opportunities as well as donate to reforestation efforts. The Department is exploring the feasibility of partnering with private businesses to generate funding through visitor and resident contributions to generate revenues for existing funds that support the protection of Hawaii's forests. Designated staff and new funding allocated to build and encourage public involvement would facilitate this program.