

MAR 07 2014

S.C.R. NO. 121

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## SENATE CONCURRENT RESOLUTION

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REQUESTING THE STATE AUDITOR TO CONDUCT A MANAGEMENT AUDIT OF  
THE DEPARTMENT OF LAND AND NATURAL RESOURCES' DIVISION OF  
BOATING AND OCEAN RECREATION.

1 WHEREAS, the State's small boat harbors and boating  
2 facilities are managed by the Department of Land and Natural  
3 Resources' Division of Boating and Ocean Recreation (Boating  
4 Division); and

5  
6 WHEREAS, the proper maintenance and operation of the  
7 State's small boat harbors and boating facilities allow people  
8 to benefit from the State's natural resources through  
9 recreational boating, commercial and personal fishing, and other  
10 maritime related operations; and

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12 WHEREAS, residents and visitors use boating facilities to  
13 participate in ocean-based activities such as yacht races, canoe  
14 regattas, swimming, and surfing competitions; and

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16 WHEREAS, from the early 1990s, the management of state  
17 boating facilities has been a recurring problem; and

18  
19 WHEREAS, in 2000, the Legislature passed H.C.R. No. 165,  
20 H.D. 1, S.D. 1, which in part requested the Auditor to  
21 investigate existing boating facilities management, operations,  
22 and standards, and to report to the Legislature its  
23 recommendations as to the feasibility, including the advantages  
24 and disadvantages, of transferring the Boating Division from the  
25 Department of Land and Natural Resources back to the Department  
26 of Transportation; and

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28 WHEREAS, the Auditor found that many facilities needed  
29 major repairs and faced permanent closure, which would result in  
30 a loss of revenues of almost \$100,000 per year; and  
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1 WHEREAS, the Auditor also found that many of the problems  
2 facing the Boating Division stemmed from poor planning, an  
3 insufficient fee structure, paying a disproportionate share of  
4 the Department of Land and Natural Resources' enforcement  
5 expenses, and funding programs with special fund monies that  
6 should be supported by general funds; and  
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8 WHEREAS, the Auditor also found the Boating Division lacked  
9 adequate controls to ensure the accuracy and integrity of its  
10 financial affairs; and  
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12 WHEREAS, the Auditor concluded that the deficiencies in the  
13 Boating Division needed to be addressed before consideration  
14 could be given as to whether it should be transferred back to  
15 the Department of Transportation; and  
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17 WHEREAS, the Auditor recommended the creation of a  
18 strategic plan to address the short term and long term issues  
19 facing the Boating Division, such as ensuring proper funding to  
20 address repair and maintenance issues; ensuring it receives its  
21 fair share of enforcement services; stepping up requirements for  
22 boating and mooring permits, certifications, and registrations;  
23 and establishing better controls over its financial activities;  
24 and  
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26 WHEREAS, with the increased demands on the State's small  
27 boat harbors and boating facilities, it is important to ensure  
28 that the issues previously raised by the 2001 audit have been  
29 addressed by the Boating Division; and  
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31 WHEREAS, a follow up audit may be necessary to ensure that  
32 the Boating Division has resolved its internal issues and is in  
33 a position of running the State's small boat harbors and boating  
34 facilities in a fiscally responsible manner; now, therefore,  
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36 BE IT RESOLVED by the Senate of the Twenty-seventh  
37 Legislature of the State of Hawaii, Regular Session of 2014, the  
38 House of Representatives concurring, that the Auditor is  
39 requested to conduct a management audit of the Department of  
40 Land and Natural Resources' Division of Boating and Ocean  
41 Recreation; and  
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43 BE IT FURTHER RESOLVED that the audit review the Boating  
44 Division's current enforcement capacities, identify the



1 strengths and weakness of its current arrangement with the  
2 Department of Land and Natural Resources' Division of  
3 Conservation and Resource Enforcement, and identify  
4 opportunities for change that would address any weaknesses and  
5 fortify the strengths of the current arrangement; and  
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7 BE IT FURTHER RESOLVED that the audit review the management  
8 of the State's small boat harbors and determine whether it is  
9 feasible to keep them open seven days a week; and  
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11 BE IT FURTHER RESOLVED that the audit examine the revenue  
12 stream of the Boating Division and provide recommendations on  
13 how to fund the Division's deferred capital improvement  
14 projects, repairs, and maintenance; and  
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16 BE IT FURTHER RESOLVED that the audit look at best  
17 practices from other states or local governments that deal with  
18 similar management and capacity challenges as the Boating  
19 Division; and  
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21 BE IT FURTHER RESOLVED that the Auditor is requested to  
22 submit a report of its findings and recommendations, including  
23 any proposed legislation, to the Legislature no later than  
24 twenty days prior to the convening of the Regular Session of  
25 2015; and  
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27 BE IT FURTHER RESOLVED that certified copies of this  
28 Concurrent Resolution be transmitted to the Chairperson of the  
29 Board of Land and Natural Resources and Auditor.  
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OFFERED BY: \_\_\_\_\_

*[Handwritten signatures and initials over the line]*

