### S.B. NO. <u>2902</u>

# A BILL FOR AN ACT

RELATING TO LIVEABOARD FEES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 200-10, Hawaii Revised Statutes, is

amended by amending subsection (c) to read as follows:

The permittee shall pay moorage fees to the 3

department for the use permit that shall be based on but not 4

5 limited to the use of the vessel, its effect on the harbor, use

of facilities, and the cost of administering this mooring 6

7 program; and, furthermore:

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(1) Except for commercial maritime activities where there is a tariff established by the department of transportation, moorage fees shall be established by appraisal by a state-licensed appraiser approved by the department and shall be higher for nonresidents than for residents. The moorage fees shall be set by appraisal categories schedule A and schedule B, to be determined by the department, and may be increased annually by the department, to reflect a cost-of-

living index increase; provided that:

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| 1  |     | (A) Schedule A shall include existing mooring          |
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| 2  |     | permittees; and  |
| 3  |     | (B) Schedule B shall apply to all new mooring          |
| 4  |     | applicants and transient slips on or after July        |
| 5  |     | 1, 2011;   |
| 6  |     | provided further that schedule A rates shall be        |
| 7  |     | increased by the same amount each year so that         |
| 8  |     | schedule A rates equal schedule B rates by July 1,     |
| 9  |     | 2014;  |
| 10 | (2) | For commercial maritime activities where there is a    |
| 11 |     | tariff established by the harbors division of the      |
| 12 |     | department of transportation, the department may adopt |
| 13 |     | the published tariff of the harbors division of the    |
| 14 |     | department of transportation or establish the fee by   |
| 15 |     | appraisal by a state-licensed appraiser approved by    |
| 16 |     | the department;  |
| 17 | (3) | An application fee shall be collected when applying    |
| 18 |     | for moorage in state small boat harbors and shall      |
| 19 |     | thereafter be collected annually when the application  |
| 20 |     | is renewed. The application fee shall be:              |
| 21 |     | (A) Set by the department; and                         |
| 22 |     | (B) Not less than \$100 for nonresidents;              |

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| 1  | (4) | If a recreational vessel is used as a place of             |
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| 2  |     | principal habitation, the permittee shall pay, in          |
| 3  |     | addition to the moorage fee, a liveaboard fee that         |
| 4  |     | shall be calculated at a rate of:                          |
| 5  |     | (A) $[\$5.20]$ $\$9.43$ a foot of vessel length a month if |
| 6  |     | the permittee is a state resident $[+]$ and                |
| 7  | [   | (B) \$7.80] \$14.14 a foot of vessel length a month if     |
| 8  |     | the permittee is a nonresident;                            |
| 9  |     | provided that the liveaboard [fees] fee established by     |
| 10 |     | this paragraph [may be increased by the department at      |
| 11 |     | the rate of the annual cost-of living index, but not       |
| 12 |     | more than five per cent in any one year, beginning         |
| 13 |     | July 1 of each year; ] may be increased or decreased by    |
| 14 |     | rule adopted by the department pursuant to chapter 91;     |
| 15 | (5) | If a vessel is used for commercial purposes from its       |
| 16 |     | permitted mooring, the permittee shall pay, in lieu of     |
| 17 |     | the moorage and liveaboard fee, a fee based on three       |
| 18 |     | per cent of the gross revenues derived from the use of     |
| 19 |     | the vessel or two times the moorage fee assessed for a     |
| 20 |     | recreational vessel of the same size, whichever is         |
| 21 |     | greater; and   |

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| 1  | (6) The department is authorized to assess and collect           |
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| 2  | utility fees, including electrical and water charges,            |
| 3  | and common-area maintenance fees in small boat                   |
| 4  | harbors."  |
| 5  | SECTION 2. This Act does not affect rights and duties that       |
| 6  | matured, penalties that were incurred, and proceedings that were |
| 7  | begun before its effective date.                                 |
| 8  | SECTION 3. Statutory material to be repealed is bracketed        |
| 9  | and stricken. New statutory material is underscored.             |
| 10 | SECTION 4. This Act shall take effect upon its approval.         |
| 11 | 1. 10.111  |
| 12 | INTRODUCED BY:   |
| 13 | BY REQUEST   |

### Report Title:

Liveaboard Fees; State Small Boat Harbors

#### Description:

Increases the current rate of the liveaboard fee for state small boat harbors and clarifies that the liveaboard fee may be increased or decreased by rule adopted by the Department of Land and Natural Resources pursuant to chapter 91, Hawaii Revised Statutes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

#### JUSTIFICATION SHEET

DEPARTMENT:

Land and Natural Resources

TITLE:

A BILL FOR AN ACT RELATING TO LIVEABOARD

FEES.

PURPOSE:

To increase the current rate of the liveaboard fee for state small boat harbors; and to clarify that the liveaboard fee may be increased or decreased by rule adopted by the Department pursuant to chapter 91,

Hawaii Revised Statutes (HRS).

MEANS:

Amend section 200-10(c), HRS.

JUSTIFICATION:

The State currently has a total of 164 liveaboard slips located in the Ala Wai Small Boat Harbor (129 slips) and Keehi Lagoon Small Boat Harbor (35 slips). Liveaboard permittees pay a fee to reside on their vessels in order to offset the cost of providing additional services such as increased use of utilities, showers and restrooms, security and other administrative costs. As the liveaboard fee has not increased since 1991, the Department feels that the current liveaboard fee should be increased and regularly adjusted accordingly. The proposed amendment would update the liveaboard fee per foot of vessel length to reflect the increase in the cost of living since 1991.

Authorizing the Department to adjust the liveaboard fee by rule would be consistent with other mooring and commercial maritime fees that are adjusted similarly rule.

Impact on the public: Increased fees would provide supplemental funding for the improvement and maintenance of boat harbor facilities, which would result in improved sanitation, maintenance, and cleanliness of boat harbor facilities.

Impact on the department and other agencies:
Increased fees would provide supplemental
funding to help cover operating costs and
expenses of the Department's Boating Program
and upgrades to state small boat harbor

facilities.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: LNR 801.

OTHER AFFECTED

AGENCIES: None.

EFFECTIVE DATE: Upon approval.