DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> KEKOA KALUHIWA FIRST DEPUTY

JEFFREY T. PEARSON, P.E. 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 ELAND RESERVE COMMISSION LAND STATE PARKS

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

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the Senate Committee on WAYS AND MEANS

Tuesday, March 1, 2016 1:30 PM State Capitol, Conference Room 211

#### In consideration of SENATE BILL 2462, SENATE DRAFT 1 RELATING TO HONOKOHAU SMALL BOAT HARBOR

Senate Bill 2462, Senate Draft 1 proposes to authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau Small Boat Harbor to a public-private partnership or a private organization. **The Department of Land and Natural Resources (Department) supports this measure as written.** 

The Department feels it is time to move the State Small Boat Harbor Program in a new direction and would prefer that the Legislature support Senate Bill 2900 and House Bill 2371 which are the Department's administrative proposals. These bills would accomplish the same outcome but also allow the Department to enter into similar agreements with the rest of the state small boat harbors. Allowing the Department to enter into public-private partnerships or working with private organizations would free up valuable staff time and resources that can be allocated to the management of the state's navigable waters and near shore areas that are in dire needed of resource protection.

Finally, while the Department is supportive of the funding for the Honokohau Small Boat Harbor; the Department respectfully request however that the Legislature support the Capital Improvement Projects found in the Administration's Supplemental Budget request. William P. Kenoi Mayor



Randall M. Kurohara Acting Managing Director

County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740 (808) 323-4444 • Fax (808) 323-4440

March 1, 2016

The Honorable Jill Tokuka, Chair and Members of the Senate Committee on Ways and Means Hawai`i State Capitol, Room 211 415 South Beretania Street Honolulu, Hawai`i 96813

RE: Senate Bill 2462 SD 1, RELATING TO HONOKOHAU SMALL BOAT HARBOR

Aloha, Chair Tokuda and Committee Members:

Mahalo for this opportunity to express our strong support of SB 2462, SD 1, which authorizes the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of Honokohau Small Board Harbor to a public-private partnership or a private organization and appropriates funds for repairs and maintenance of the harbor.

Honokohau Small Boat Harbor has long been used by local fishermen. With 262 moorings, it is one of the larger small boat harbors in the state and certainly the largest of the neighbor island small boat harbors. Because Honokohau supports both commercial and recreational activities it is also one of the busiest small boat harbors.

It is time to pursue a new management model that includes local private and public input. We stand ready to partner with the community to create an innovative model that will improve the management and operation of Honokohau Small Boat Harbor. The county believes oversight of our small boat harbors belongs at the local level. This assures that those people most impacted and knowledgeable have a reasonable opportunity to participate in and voice their concerns or support for such projects.

Mahalo for your support of Senate Bill 2462, SD 1.

Aloha,

), P, O

William P. Kenoi MAYOR



## SB2462 SD1 RELATING TO HONOKOHAU SMALL BOAT HARBOR

Senate Committee on Ways and Means

March 1, 2016 1:30 p.m. Room 211
----------------------------------

The Office of Hawaiian Affairs (OHA) submits the following <u>COMMENTS</u> on SB2462 SD1, which authorizes the Board of Land and Natural Resources (BLNR) to transfer the operation, administration, management, or maintenance of the Honokōhau small boat harbor to a public-private partnership or a private organization.

OHA acknowledges that the contemplated transfer of authorities may help to address long-standing problems facing Honokōhau small boat harbor users, including aging facilities; a lack of paving, lighting, and proper wash-down and pump-out areas for boats; and a repair and maintenance backlog.

DLNR's State Land Information Management System (SLIMS) shows that Honokōhau small boat harbor is located on public land trust land. Accordingly, the fiduciary obligations of the state with respect to the public land trust apply to the lands underlying the harbor, including legal requirements relating to OHA's constitutionallymandated pro-rata share of public land trust revenues. Given the status of these lands as public land trust lands, the Committee may want to consider the following:

- Specifying that any public-private partnership for the operation of Honokōhau small boat harbor shall be subject to Act 178, Session Laws of Hawai'i 2006, and any other law that provides for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6 of the state constitution, and section 10-3. OHA offers the following language for the committee to consider: "Notwithstanding any provision of this chapter to the contrary, any public-private partnership that assumes duties pursuant to this section shall be subject to Act 178, Session Laws of Hawai'i 2006, and any other law that provides for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6 of the state constitution, and section 10-3."
- 2. Specifying that any private organization operating Honokōhau small boat harbor shall be subject to a provision whereby revenue generated could be shared with the state.

Mahalo for the opportunity to testify on this measure.

HAWAII GOVERNMENT EMPLOYEES ASSOCIATION AFSCME Local 152, AFL-CIO



RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

### The Twenty-Eighth Legislature, Sate of Hawaii The Senate Committee on Ways and Means

Testimony by Hawaii Government Employees Association March 1, 2016

### S.B. 2462, S.D. 1 – RELATING TO HONOKOHAU SMALL BOAT HARBOR

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes S.B. 2462, S.D. 1 which would authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of Honokohau Small Boat Harbor to a public-private partnership or a private organization.

While we certainly understand the importance of this harbor to the economic activity on the Big Island, specifically the Kona area, and we fully support the appropriation of adequate funding for the much needed repair and maintenance of this harbor, we oppose the transfer or privatization of the harbor operations at Honokohau Small Boat Harbor.

We are very concerned about turning over the administration and management of any public facility to a private entity. Accountability, control and responsibility are valid, relevant concerns every time privatization is considered. We are also very concerned about the potential impact to public employees employed at the Honokohau Small Board Harbor. This bill does not address how current department employees will be treated if a transfer in operations or management of the harbor occurs with a public-private partnership or private organization.

Thank you for the opportunity to provide testimony and we urge you to oppose S.B. 2462, S.D. 1.

espectfully submitted. Randy Perreira

Executive Director



March 1, 2016

## Testimony to the Ways and Means Committee March 1, 2016 at 1:30 P.M. Conference Room 211, State Capitol

# RE: SENATE BILL 2462 SD1 RELATING TO HONOKOHAU SMALL BOAT HARBOR

Dear Chair Okuda, Vice Chair Dela Cruz and Members of the Committee,

The Kona-Kohala Chamber of Commerce (KKCC) *strongly supports SB 2462 SD1*.

The KKCC is West Hawai'i Island's leading business organization, representing over 540 businesses. Over 70% of our members represent small businesses. As the largest business organization on Hawai'i Island and fourth largest chamber in the State, the KKCC exists to provide leadership and advocacy for a successful business environment in West Hawai'i.

The Honokohau Small Boat Harbor remains unfinished, 40 years after it opened. Many of your constituents on the Hawai'i Island have likely expressed their concerns of completing, repairing, improving, maintaining and operating the Harbor facility by the DLNR Division of Boating and Ocean Recreation (DLNR-BOR). Our community deserves a world class Harbor as our ocean attracts many locals and visitors for recreation and fishing. The Harbor even plays host to our annual International Billfish Tournament, which has been a staple event in our community for over 55 years. Our Harbor has the potential to further grow our economy and therefore, much needed jobs in our community.

SB 2462, seeks to create a public-private partnership for Honokohau that would allow management to be undertaken at the local level, with closer communication between the boaters and the managers, and provide the opportunity for private parties to participate in completing the harbor's infrastructure and improving the facilities in a timely fashion. The State could continue to own the land and would benefit from improved management of their property, as would the economy as a whole.

On behalf of over 540 businesses on the Hawaii Island, I urge you to pass SB 2462 SD1.

Sincerely,

Kusti

Kirstin Kahaloa Executive Director Kona-Kohala Chamber of Commerce



P.O. Box 1554 Kailua Kona, HI 96745 www.hawaiifishingandboating.com

February 29, 2016

Mahalo.

Support for: SB2462, SD 1 Relating to Honokohau Small Boat Harbor

Over many, many years, Hawaii's legislators have heard from their constituents that the Department of Land and Natural Resources, Boating Division (DLNR-BOR) has been failing Hawaii's boating community and ocean recreation industry. Several legislative audits have confirmed that, and the issues raised therein are largely ignored, year-after-year.

It is time to pursue a new management paradigm, and this bill offers an opportunity to consider several proven options for how Hawaii's Small Boat Harbors could managed, including a public private partnership.

In every other state in the union, boating facilities are managed locally. It is time to change the way Hawaii manages all of its boating facilities and the West Hawaii boating community, centered at Honokohau Small Boat Harbor, is ready to participate in the process. Please start replacing Hawaii's ineffectual and dysfunctional management system by passing this bill and instituting the new management paradigm it suggests.

Some 300 small businesses in West Hawaii, and our recreational boating community, are dependent upon the facilities at Honokohau, yet our small boat harbor remains unfinished 40 years after it first opened, and the DLNR-BBOR seems to be incapable of completing, repairing, improving, maintaining and operating the facility, which is a serious disservice to the boating community and ocean recreation industry in West Hawaii, and has a negative impact on the economy of our community and the State as a whole.

The creation of a locally based public-private partnership for Honokohau would allow management to be undertaken at the local level, with direct communication possible between the boaters and the managers, and provide the opportunity for private parties to participate in completing the harbor's infrastructure and improving the facilities in a timely fashion. The State would continue to own the land and would clearly benefit from improved management of their property.

It is time to institute the changes this bill envisions. Please pass SB2462 HD1.

**Rick** Gaffney President, Hawaii Fishing & Boating Association Kona, Hawaii

#### <u>SB2462</u>

Submitted on: 2/28/2016 Testimony for WAM on Mar 1, 2016 13:30PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
takeo Izawa	Individual	Support	No

Comments: COMMITTEE ON WAYS AND MEANS Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair WAM Room 308 March 01, 2016. 1:00 PM Support Bill SB 2462 I am Takeo Izawa 40 + years Kona residence with boating family. I believe Kona community has capability to manage Honokohau harbor with County of Hawaii. Kona boaters and Kona community are waiting for time to on suite management. Around of Honokohau harbor should have ocean museum and Kealakehe Community Park. We do not have good marine education facility, but we have Pacific Ocean. Honokohau harbor should be best location to educate marine science. We have many young people working at Honokohau harbor and more to should get work locally. Please local youngsters to involve local jobs. Mahalo Takeo Izawa Kids of Hawaii Nei

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov