



February 12, 2018

Re: SB757 SD1 and SCR 29

Dear Chair Kahele.

The Kona-Kohala Chamber of Commerce supports astronomy, science, culture and environmental stewardship of Maunakea. In addition, we support the Thirty Meter Telescope and the new Mauna Kea state lease. We are unsure of the rationale for conducting a forensic financial audit at this time as proposed in SB757 SD1 and SCR 29.

The Kona-Kohala Chamber of Commerce is a 501(c)(6) non-profit organization with over 500 member businesses and organizations that represent a wide range of industries in the private, non-profit, and public sectors in the Kona and Kohala regions on the West side of the island of Hawai'i. Our organization exists to provide leadership and advocacy for a successful business environment in West Hawai'i as we work to strengthen our economy and promote our community.

Sincerely,

Wendy J. Laros

Executive Director, Kona-Kohala Chamber of Commerce



Submitted on: 2/12/2018 2:31:13 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	y Organization	Testifier Position	Present at Hearing
Thayne Currie	Individual	Oppose	No

Comments:

I STRONGLY oppose this bill as is. I understand and appreciate the motivation for having an audit to streamline operations and remove inefficiencies with, for example, just the Research Corporation of the University of Hawai'i. However, while some aspects of this may be well intentioned, it would have a catastrophic impact on astronomy on Maunakea.

The measure could effectively kill astronomy on Hawai'i island, the best site in the world for astronomy. Astronomy measurably benefits Hawai'i with an overall annual economic impact of \$168 million in 2012 according to the UHERO report, including 91+ million for Hawai'l island alone. Astronomy employs more than 1000 people statewide and is responsible for billions of dollars injected into the local economy since the master lease was originally signed in 1968.

CRITICALLY, though, what many people (including, apparently, this legislative body) misunderstand is that astronomy is not a giant money-making enterprise. We do not go into astronomy to get rich. While the operating costs for the observatories go well into the millions, these funds (largely funded without Hawaii tax dollars) go into the salary and benefits of observatory employees (including a huge number who are native to Hawaii), upkeep and maintenance of observatory equipment, and stewardship of Maunakea. See this article:

https://www.bizjournals.com/pacific/blog/2015/07/astronomy-high-costs-and-no-profit-but-benefits.html

This audit is dangerous and harmful because it can so easily be turned into a witch hunt and weaponized against the astronomy community. I agree that observatories, in the future, should probably pay some rent, just as TMT has promised to do. However, this bill will do much more harm, enabeling a deliberate attempt to run the observatories off

the mountain and strip away STEM opportunities for Hawaii's children, by mischaracterizing the results of the audit, using this mischaracterizing to tie up the observatories in court through future litigation (e.g. the master lease renewal), and attempt to 'soak' the astronomy community to demand charges that they simply cannot afford.

For some reason, through this bill and SB 3090 the Hawaii legislature seems intent on attacking astronomy, one of its most valuable employment sectors and a source of deep personal pride, especially on the Big Island. If they want a future for Hawai'i where the only opportunities are through tourism or the military that is up to them. But then do not be surprised if the keiki decide they are being told to leave in search of better opportunities. For good.



Submitted on: 2/12/2018 2:44:23 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ralph Smith	Individual	Oppose	No

Comments:

Why this bill is bad - This one would "direct the auditor to conduct a forensic financial audit of the University of Hawaii's activities related to Mauna Kea."

But what this really is is a fishing expedition and a witchhunt, an attempt to soak the astronomy community and misconstrue the results to run them off the mountain.

UH is not perfect but what entity is?

http://darkerview.com/wordpress/?p=23167#more-23167

Please review this link. Mahalo Nui Loa



Submitted on: 2/12/2018 2:57:22 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	tted By Organization	Testifier Position	Present at Hearing
Michael Hoenig	Individual	Oppose	No

Comments:

Aloha State Senators,

I am writing you today about SCR29, relating to a forensic financial audit of pretty much anything and everything related to Mauna Kea's management and the observatories on top of it.

I strongly urge you to reject this bill. It is vaguely worded - perhaps deliberately so? - and seems to consist of little more than a "fishing expedition". No reason is given for the need for such an extensive audit. Frankly, it appears to make a mockery of the legislative process. If you want to address the shortcomings of OMKM's stewardship of Maunakea, then you need to do so in a more specific manner, not by trying to introduce some vague, ominous bill. Without any credible evidence for fiscal mismanagement it makes no sense. Please don't waste our legislature's limited time and resources on such a pointless and divisive attempt at political gamesmanship.

Thank you for taking the time to read this,

Michael Hoenig



<u>SCR-29</u> Submitted on: 2/12/2018 3:15:39 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Annette Reyes	Individual	Oppose	No



<u>SCR-29</u> Submitted on: 2/12/2018 3:42:45 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Miyahira	Individual	Oppose	No



<u>SCR-29</u> Submitted on: 2/12/2018 3:24:00 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Stark	Individual	Oppose	No



Submitted on: 2/12/2018 4:02:15 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrew Cooper	Individual	Oppose	No

Comments:

Where is the justification for such a resolution? The reasons given in this resolution are rather sparse. If one is to justify the expense and effort of a "forensic" audit is it too much to ask for some reasonable evidence of wrongdoing? As is stands this and the related SB757 and SB2325 have all the appearance of a political attack that provides no public benefit.

While the university and OMKM do take in a substantial amount of money in managing Mauna Kea, they also spend a substantial amount of money to manage the mauna. From basic maintenance of the facilities, road maintenance, snow removal, accommodating the daunting number of visitors to the mauna, providing for the plethora of demands required by the Comprehensive Management Plan. The monies are spent on the mauna, where they belong.

I live and work upon Mauna Kea, I see every day how Mauna Kea is managed. On many occasions I have taken the opportunity to discuss day-to-day management decisions with those who make those decisions. What I see are professionals who are doing a difficult job, and doing it very well. People who are often derided and insulted for the job they do by those who think they know better. The employees of OMKM and MKSS do their best to protect our mauna and accomodate all who would access this incomparable place.

The management of Mauna Kea has been reviewed by the auditor's office on many occasions, the most recent report released only last year. The resulting reports show a clear picture of system of management that has been steadily improving in response to ever increasing and often unreasonable demands. The auditor's reports show no need for the sort of audit requested in SB757.

Where is the evidence for fiscal irresponsibility to justify yet another audit, or more questionably a "forensic" audit?

Without any credible evidence for fiscal mismanagement this bill makes no sense. This bill is a fishing expedition proposed by those who oppose the university's responsible management of Mauna Kea. It does nothing that would benefit our mauna except waste the time and effort of those who have a job to do.

Andrew Cooper

Waikoloa



Submitted on: 2/12/2018 5:46:07 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shana Logan	Individual	Support	Yes

Comments:

Aloha,

The following is my response to the proposed SCR29 and SB757 SD1:

I support the proposed forensic audit of the University of Hawaii's TMT project and stewardship activities of Maunakea through OKMK, etc., should include everything listed on the proposed Concurrent Resolution and proposed companion bill, SB757 SD1. It should also include the cost of law enforcement, court hearings, and other courtrelated costs having to do with the arrests of legal protestors during government standoffs during the latest construction efforts of the TMT telescope in 2015-2016, respectively. These costs are not only calculable monetarily, but must be calculated as violations of civil and constitutional rights of citizens to peacefully assemble, a right afforded to them by the First Amendment of the United States Constitution. These peoples' rights should have been defended by the state government, and not the rights of private corporations like TMT and their investors. The actions of the state law enforcement officers engaged in removing and arresting private, legally, peacefully assembled citizens in order to defend a private enterprise should not have been done with publicly paid law enforcement in any form. If the TMT developers and investors wanted their project safe, they should have hired their own private security officers to control the crowds, not asked the state government to bring in hired officers paid for by state tax dollars to defend them as a private entity, including the improper and possibly illegal actions of the former Attorney General, Douglas Chin, who helped craft and use local laws to further violate protestors' federal and state rights in order to bolster the interests of a private entity using tax dollars. This is not the job of the AG, who should be concerned with the rights of citizens over private developers. To avoid any conflicts, the state should have forced TMT to hire private security, as this is a private enterprise on public land. This is an extremely high collateral cost that has been overlooked and may rise due to possible future litigation by those whose rights were violated and those who may still have the right to pursue financial damages against the state and the University of Hawaii, who have now exposed the state to this legal issue that is not yet settled and could result in a loss for the state in the long run. Governor Ige, along with the now Lt. Governor, Douglas Chin, are responsible for this and should be taken into account for it, as it has long-term consequences for the future of the state and our people. If the state government spends money defending private entities instead of the rights of citizens, there will be more litigation to come, and that is not good for Hawaii.

Corruption breeds corruption: this action by the state was corrupt and must be addressed in the audit properly by both financial and legal professionals. If the rights of the people are set aside and violated by our government leaders, this results in a real public safety and civil rights issue that needs to be addressed in any audit. Government tyranny indeed has a cost, and it is in the lawsuits brought against them by its citizens. Please look into this. The right of the people to protest is a fundamental right and should not be abridged. Your time is appreciated. Mahalo.



<u>SCR-29</u> Submitted on: 2/12/2018 7:38:23 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
cheryl	Individual	Support	No

Comments:

Yes, please have them conduct an audit.



<u>SCR-29</u> Submitted on: 2/12/2018 7:57:47 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nienke van der Marel	Individual	Oppose	No



Submitted on: 2/12/2018 9:38:29 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kaui Trainer	Individual	Support	No

Comments:

I HEARTILY SUPPORT SB757 SD1 PROPOSED AND SCR29, RELATING TO THE UNIVERSITY OF HAWAII. A FORENSIC AUDIT IS JUST WHAT IS NEEDED! I WANT TO KNOW WHERE THE MONEY IS COMING FROM AND WHERE IT IS GOING. I WANT TO KNOW WHY THE CURRENT LEASES AND SUBLEASES ARE NOT FAIR MARKET VALUE. I WANT TO KNOW WHAT FEES ARE BEING PAID BY TOUR OPERATORS AND HOW IS IT USED? I WANT TO KNOW WHY THE UNIVERSITY GETS TO BENEFIT FROM RENTING OUT TELESCOPE TIME TO FOREIGN GOVERNMENTS, OTHER UNIVERSITIES, ETC AND NOT HAVE TO GIVE A PORTION TO NATIVE HAWAIIANS AS BENEFICIARIES OF THE PUBLIC TRUST. EVEN THE FACT THAT THEY TRADE IN KIND SEEMS TO BE JUST A WAY FOR THEM TO LIMIT SHARING THE BENEFITS WITH THOSE WHO ARE SUPPOSED TO BENEFIT FROM PUBLIC TRUST LANDS. I HOPE THAT YOU WILL PASS THIS BILL AND IMPLEMENT IT RIGHT AWAY!



<u>SCR-29</u> Submitted on: 2/12/2018 10:28:24 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sean P Mahoney	Individual	Oppose	No



<u>SCR-29</u> Submitted on: 2/12/2018 11:40:34 PM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Don Aweau	Individual	Support	No



<u>SCR-29</u> Submitted on: 2/13/2018 1:03:32 AM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shelley Muneoka	Individual	Support	No



Submitted on: 2/13/2018 8:36:08 AM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shaelene Kamakaala	Individual	Support	No

Comments:

I request the following amendments to be made:

Ensure inclusion of RCUH (with regard to the international Observatories revenues generating activities on "Ceded Lands"). The nexus for the amendment is two fold:

- (1) the International Observatories must comply with their sublease agreements which require all them to comply with Hawai'i State Law. State law under HRS 171 requires that "fair market lease rent" for use of MK lands be accessed, charged and deposited into the State's general Fund.
- (2) the the Audit should include the review and determination of all patents held by University of Hawai'i and the International Observatories (including the Universities associated with said Observatories).

All patents that are revenue generating must be accessed, charge and the funds deposited into the States general fund. Such revenue is not showing up on the public ledger now. The Audit therefore must be amended to include the above language and also any and all revenues generated for the commercial use of the lands of Mauna Kea.

Me ka ha'aha'a



<u>SCR-29</u> Submitted on: 2/13/2018 9:21:43 AM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carter Barto	Individual	Oppose	No



<u>SCR-29</u> Submitted on: 2/13/2018 9:47:46 AM

Testimony for HRE on 2/13/2018 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ahia Dye	Individual	Support	No

Mililani B. Trask



mililani.trask@icllchawaii.com



To: Senate Committee on Higher Education,

Sen. Kai Kahele (Chair) & Sen. Donna Mercado Kim (Vice-Chair)

From: Mililani B. Trask & other Hawaiian Practitioners

Hearing Date: Tuesday, Feb. 13th, 2018

Hearing Time: 2:05 pm,

Room: 224



& SCR29

<u>Testimony in Opposition to Proposed language & Supporting the inclusion of the DLNR, BLNR and OMKM</u>

Aloha Senators,

I am a Hawaiian cultural practitioner of Maunakea, and one of the Hawaiians who constructed the Lele at Hale Pohaku over20 years ago. I am a founding member of Mauna Kea Anaina Hou and testified as an Expert Witness in the Maunakea Contested Case proceedings. I have attended the meetings held in Hilo with Senator Kai Kahele, and am a member of the Wahine Po Ai Moku/Wahine Apapalani who have met with the Maunakea Envisioners, and submitted comments on the "proposed" rules floated by he DLNR.

I. State Mismanagement as verified by The State Auditor:

State auditors reports on the Mauna for the years 1998, 2005, 2009 and 2014 document numerous violations of State law and verify that although the University and private Telescope Operators created several studies & plans for the Development (Native Cultural Report, Public Access Report, Decommissioning Report and Comprehensive Management Plan) none of these plans have been implemented and no plan actually provided for Hawaiian rights to worship or for other cultural practices.

We do not know how much money as spent on these reports or why no one was ever hired to implement them.

In 2014, the State Auditor (citing Act 132, 2009) noted, "<u>Administrative rules governing public and commercial activities on Mauna Kea lands are necessary to provide effective protection of cultural and natural resources from certain public activities, and to help ensure public health and safety. Examples of public and commercial activities to be governed by administrative rules include general access to sensitive resource areas, such</u>

as specific and off-road vehicle management and control; alcohol consumption; recreational activities; and commercial tour activities.".

Some of the activities cited by the Auditor (commercial tours) bring in millions of dollars to the private operators under illegal leases.

The 2014 audit found that the OMKM had benefitted significantly by avoiding its rule making obligations and giving out unauthorized and illegal permits for public commercial uses. In the last few years, the science community has brought in 2 million dollars through illegal permitting for tourism. These funds did not go to the DLNR for management purposes, in fact the BLNR record reflects that the Board has repeatedly acknowledged that it did not have funds to meet the environmental and cultural needs of the Mauna.

Although the provisions of *Chapter 171 require fair market rental be paid for the use of public lands*, these laws have been violated for 48 years, ever since the University received a 65 year lease for Maunakea in 1968 for free. *The University, DLNR and BLNR ignored these laws when the lands on the summit were leased for \$1.00 per year.*

<u>Data obtained by Kahea, the Hawaiian Environmental Coalition indicates that annual rent should be 45 – 55 million per year and that rental of approximately 500 million has been lost to date.</u>

These areas of oversight ARE NOT under the University of Hawaii, but the BLNR,DLNR & OMKM.

Conclusion:

The deletion of the BLNR. DLNR and OMKM from the forensic audit is being proposed to cover up the loss of hundreds of millions of dollars to the public trust and to allow the ongoing violations of State law set forth in HRS Chapter 171.

The measure has been amended to make it appear that a forensic audit is being supported by legislators in this 'election year', in reality the failure of measure to include the BLNR, DLNR and OMKM facilitates the ongoing mismanagement of the Mauna by the State DLNR, BLNR and OMKM and the loss of hundreds of millions of dollars owed by the private sector to the State.

I oppose the measure as drafted and request that the BLNR, DLNR and OMKM be included in the fiscal audit. Without these changes, the Bill in little more than a cover-up for ongoing fiscal malfeasance by the State.

Mahalo,

Mililani B. Trask, Hawaiian Wahine Practitioner