

S.B. NO. 1251

JAN 24 2019

A BILL FOR AN ACT

RELATING TO USE PERMITS FOR SMALL BOAT HARBOR FACILITIES.

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

SECTION 1. Section 200-10, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The permittee shall pay moorage fees to the department for the use permit that shall be based on, but not limited to, the use of the vessel, its effect on the harbor, use of facilities, and the cost of administering this mooring program; and, furthermore:

(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:~~

S.B. NO. 1257

~~(A) Schedule A shall include existing mooring
permittees; and~~

~~(B) Schedule B shall apply to all new mooring
applicants and transient slips on or after July
1, 2011;~~

~~provided further that schedule A rates shall be
increased by the same amount each year so that
schedule A rates equal schedule B rates by July 1,
2014];~~

(2) For commercial maritime activities where there is a
tariff established by the harbors division of the
department of transportation, the department may adopt
the published tariff of the harbors division of the
department of transportation or establish the fee by
appraisal by a state-licensed appraiser approved by
the department;

(3) An application fee shall be collected when applying
for moorage in state small boat harbors and shall
thereafter be collected annually when the application
is renewed. The application fee shall be[+

~~(A) Set] set by the department; [and~~

~~(B) Not less than \$100 for nonresidents;]~~

S.B. NO. 1257

1 (4) If a recreational vessel is used as a place of
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 a foot of vessel length a month if the~~
6 ~~permittee is a state resident; and~~

7 ~~(B) \$7.80 a foot of vessel length a month if the~~
8 ~~permittee is a nonresident;~~

9 ~~provided that the liveaboard fees established by this~~
10 ~~paragraph may be increased by the department at the~~
11 ~~rate of the annual cost of living index, but not more~~
12 ~~than five per cent in any one year, beginning July 1~~
13 ~~of each year;]~~ established by appraisal by a state-
14 licensed appraiser approved by the department;

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 the greater of a fee based on:

19 (A) Three per cent of the gross revenues derived from
20 the use of the vessel; or ~~[two]~~

21 (B) If the vessel is used as a place of principal
22 habitation, the liveaboard fee plus two times the

S.B. NO. 1257

Report Title:

Mooring Fees; Liveaboard Fees; Appraisal; State Small Boat Harbors

Description:

Clarifies that certain fees for state small boat harbors shall be established by appraisal by a state-licensed appraiser approved by the Department of Land and Natural Resources and shall be set at fair market value. Clarifies fees charged for vessels used for commercial purposes.

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 USE PERMITS FOR SMALL BOAT HARBOR FACILITIES.

PURPOSE: To clarify that certain fees for state small boat harbors shall be established by appraisal by a state-licensed appraiser approved by the Department and set at fair market value; and to clarify fees charged for vessels used for commercial purposes.

MEANS: Amend section 200-10(c), Hawaii Revised Statutes (HRS).

JUSTIFICATION: Liveaboards are the direct beneficiaries of small boat harbor amenities. Currently, all mooring and commercial maritime fees referenced in section 200-10, HRS, with the exception of a liveaboard fee, are established by appraisal. Revising the manner in which a liveaboard fee is determined within a state small boat harbor, would conform to the appraised value method used for other fees collected under section 200-10, HRS.

An increase in fees collected under section 200-10, HRS, would go toward funding upgrades to state small boat harbor facilities resulting in improved sanitation, maintenance, and cleanliness of boat harbor facilities.

Impact on the public: All fees collected under section 200-10, HRS, go toward, among other things, operating, maintaining, and managing all state small boat harbor facilities under the control of the Department.

Impact on the department and other agencies: This bill would allow the Department to collect mooring and liveaboard fees that are at fair market value to help cover operating

costs and expenses, 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.