DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on FINANCE

Friday, February 22, 2019 11:00 A.M. **State Capitol, Conference Room 308**

In consideration of **HOUSE BILL 1460, HOUSE DRAFT 1** RELATING TO THE STATEWIDE BOATING PROGRAM

House Bill 1460, House Draft 1 proposes to redefine "state boating facility" to include a day-use mooring buoy system; and to specify that the boating special fund can be used to pay for the costs of any state boating facility. The Department of Land and Natural Resources (Department) appreciates the intent of this measure, and offers comments and recommendations.

In 1995, the Department created Chapter 13-257, Hawaii Administrative Rules (HAR), to implement the State Day-use Mooring Buoy Program under the Division of Boating and Ocean Recreation (DOBOR). However, the Department has not been able to fully develop a day-use mooring buoy program because of a lack of funding. Although this measure would provide the Department with authorization to use the boating special fund for day-use mooring buoy purposes, Section 103-7, Hawaii Revised Statutes (HRS), provides that approvals from the Legislature and the Governor are required to fund any capital improvement project (CIP). The Department would therefore require CIP funding from the Legislature for installation of new day-use mooring buoys.

This measure would allow DOBOR to use the boating special fund to pay for costs of removing obsolete or unsanctioned day-use mooring buoys as well as replacing existing day-use mooring buoys. However, the boating special fund does not have the capacity to fund startup costs. Maintenance of the State's small boat harbors, offshore moorings, boat launch ramps, and piers, wharves, and docks take priority. The boating special fund is intended to pay for operating costs of the statewide boating program, primarily employee salaries and facility repairs and maintenance.

SUZANNE D. CASE

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA FIRST DEPUTY

M. KALEO MANUEL

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A developed State day-use mooring buoy program would have the potential to provide convenient and natural resource conscious mooring options for boaters who operate in state ocean waters. In the past, because of the lack of funding, nongovernmental organizations, namely the Malama Kai Foundation, and private individuals have devoted their own time and resources to install and maintain day-use mooring buoys for the State day-use mooring buoy program.

The Department notes that the only location in HRS where the term "day-use mooring buoy" is referenced is in Chapter 188F, HRS. Chapter 188F, HRS, states that the Department is only required to establish a day-use mooring buoy system "along the coastline of the West Hawaii regional fishery management area." There is no language in HRS providing implementation, definitions, or operational details of the day-use mooring buoy program.

Furthermore, based on existing statutory language in Chapter 188F, HRS, despite having implemented Chapter 13-257, HAR, the Department would not be required to establish a day-use mooring buoy system in any locations around the State other than the West Hawaii regional fishery management area. Thus, the Department recommends that in addition to the existing language in this measure, the Legislature implement the State Day-Use Mooring Buoy program and give the Department the authority to implement administrative rules for the program, which would provide stronger statutory authorization for Chapter 13-257, HAR.

Chapter 188F, HRS, is one of the statutory chapters applicable to the Department's Division of Aquatic Resources. However, the day-use mooring buoy program is better suited under DOBOR because it concerns vessel operation and mooring regulations. Therefore, any day-use mooring buoy provisions should be included in Chapter 200, HRS, which is the statutory chapter pertaining to DOBOR.

The Department estimates that it would require about one million dollars in startup costs to install or replace day-use mooring buoys statewide. Because of these costs, DOBOR has limited the scope of implementing the day-use mooring buoy program and is developing a pilot program in the form of regulations and day-use mooring buoy installations or replacements for the manta ray viewing sites in West Hawai'i. The Department intends to use this pilot program to evaluate not only the day-use mooring buoy system itself but also the effectiveness of day-use mooring buoy-related vessel operation restrictions.

The Department recommends that any initiative to develop the day-use mooring buoy program statewide include an appropriation and/or CIP funding for the startup costs of the program. After the initial startup of the program, DOBOR intends to charge day-use mooring buoy user fees at amounts that would ensure a self-sustaining program, avoiding the need for additional Legislative funding.

To reiterate, the Department's recommendations for this measure are as follows:

1. Clearly implement the day-use mooring buoy program in Chapter 200, HRS, including clarifying the necessary details for the day-use mooring buoy program; and

2. Provide an appropriation for the costs of removing obsolete or unsanctioned day-use mooring buoys and for replacing day-use mooring buoys.

Additionally, the Department recommends that the Legislature provide CIP funding for new installations of day-use mooring buoys.

Thank you for the opportunity to comment on this measure.



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NOTICE OF HEARING

DATE:

Friday, February 22, 2019

TIME:

11:00 A.M.

PLACE:

Conference Room 308

TESTIMONY OF THE OCEAN TOURISM COALTION IN STRONG SUPPORT OF HB1460HD1 RELATING TO THE STATEWIDE BOATING PROGRAM

Aloha Chair Luke, Vice Chair Cullen and Members of the FIN Committee:

My name is Jim Coon and I am the President of the Ocean Tourism Coalition (OTC) representing the interests over 300 charter boats operating out of DLNR/DOBOR Harbors across the State.

OTC is in STRONG SUPPORT of HB 1460HD1. This language would allow the Boating Special Fund to be used in support of the State Wide Day Use Mooring Program. This program was started nearly 30 years ago but has never had the support of the Boating Division because Boating Special Funds could not be used. With this bill in place, DOBOR can work with the Commercial Operators to collect moneys specifically for the Day Use Mooring Program which will be utilized to install additional Day Use Moorings as well as maintain the existing ones.

Day Use Moorings are one of the most effective methods to eliminate accidental Coral damage due to vessel anchoring. It is OTC's goal to see Day Use Moorings established in every area utilized by vessels for access to snorkel dive sites across the State. HB 1460HD1 provides the mechanism for the Boaters to fund this worthy project through DOBOR with no additional money from the State coffers.

Please pass HB 1460HD1. It will be a big win for protecting our Coral Reefs.

Sincerely, James E. Coon, President OFC

<u>HB-1460-HD-1</u> Submitted on: 2/21/2019 9:57:23 AM

Testimony for FIN on 2/22/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

HB-1460-HD-1

Submitted on: 2/20/2019 2:48:08 PM

Testimony for FIN on 2/22/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Zachary LaPrade	Calypso Charters	Support	No

Comments:

Calypso Charters and its affiliates employ close to 100 people in Maui's charter boat industry. We support HB1460.

Currently, DBOR has no mechanism for funding the day-use mooring program, except maybe the public procurement process. Charter boats are taxed 3% of their gross proceeds and the money goes to the Boating Special Fund. This bill will allow the Boating Special Fund to be used on infrastructure and improvements in the day-use mooring program.

We support this bill to the extent it allows DBOR to use funds on an organized, well-maintained day-use mooring program. The program should have sufficient access and moorings for all those that contribute to the Boating Special Fund.

<u>HB-1460-HD-1</u> Submitted on: 2/21/2019 10:06:06 AM

Testimony for FIN on 2/22/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Denver Saxton Coon	Trilogy Corporation	Support	No

Comments:

HB-1460-HD-1

Submitted on: 2/21/2019 5:40:17 PM

Testimony for FIN on 2/22/2019 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Stewart	Malama Kai Foundation	Support	No

Comments:

As President of Malama Kai Foundation, I strongly support HB 1460. I strongly believe that the statewide day-use mooring buoy system constitutes a public boating facility, for which boating special fund monies should be expended.

Malama Kai Foundation, a Hawaii-based non-profit organization, has been responsible for the installation and maintenance of the State's day use mooring buoy system of over 200 public buoys since 1991. Day use mooring buoys are the most effective means to prevent anchor damage to coral reefs. We have raised monies to support this effort through grants and private donations, with a relatively small amount of funding from the State since 1991. More buoys are needed in high use areas where boats continue to drop anchor, but we as a non-profit don't have the resources, capacity or even the mandate to do this alone.

In order for DLNR's Division of Boating and Ocean Recreation (DOBOR) to take more responsibility for the installation and maintenance of these public day-use mooring buoys, it is imperative that they be designated a state boating facility for which special funds can be used.

Please pass HB 1460. Mahalo.

HB-1460-HD-1

Submitted on: 2/22/2019 6:41:33 AM

Testimony for FIN on 2/22/2019 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Riley E. Coon	Trilogy Excursions	Support	No

Comments:

Dear Sir or Maddam,

I support HB1460 HD1. As a 3rd generation commercial charter boat operator, we rely heavily on the day use moorings. They provide safety, reef conservation, and regularity to our operations and serves a purpose much like our harbors. Please allow the use of special funds to help maintain these vital day use moorings.

Mahalo for your consideration,

Captain Riley E. Coon