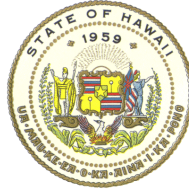


DAVID Y. IGE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the Senator Committee on  
WATER AND LAND**

**Monday, February 8, 2021  
1:00 PM**

**State Capitol, Via Video Conference, Conference Room 229**

**In consideration of  
SENATE BILL 1179  
RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND  
RESOURCES ENFORCEMENT**

Senate Bill 1179 proposes to allocate a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement (DOCARE) of the Department of Land and Natural Resources (Department) to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources. **The Department strongly supports this Administration measure.**

The COVID-19 pandemic has had major impacts across the globe, both human and economic. Hawaii, while spared from the worst of the human impacts, has suffered immense economic damage as a result of the widespread coronavirus. With travel restrictions, stay at home orders, and distancing guidelines, many businesses have suffered and the current state of Hawaii's economy is a stark reflection of this. In attempt to mitigate the economic effects of the pandemic, the State is reducing general fund support for many important programs. Amongst other cuts, DOCARE stands to lose twelve positions which are key to the efficient management of Hawaii's natural, cultural, and historic resources. Included in these positions are supervisory and clerical positions, and that of the Deputy Chief. Senate Bill 1179 seeks to allocate a portion of the Conveyance Tax to fund these vital positions.

Tourism, the main economic driver of the State, is fueled by Hawaii's natural beauty. Prior to the pandemic, millions of tourists would come each year to enjoy Hawaii's natural, cultural, and historic resources. If the beauty of Hawaii were to fade, so would the tourism economy. The Department and DOCARE manage all the State's land and natural resources, from coral reefs and beaches, to State parks and forest reserves, acting as a shield not only for their cultural and

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

**ROBERT K. MASUDA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
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 ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

recreational worth, but also their economic value. However, current budget restrictions are making it exceedingly difficult for DOCARE to carry out its mission efficiently and effectively. Investing in DOCARE is investing the long-term longevity of the state.

The development, sale, and improvement of real property in Hawaii attracts many visitors and their money. However, this also creates great pressures on the State's natural resources. Development often comes with environmental impacts including pollution and sedimentation, and increased human presence can cause erosion and over-harvesting. It is for these reasons that portions of the Conveyance Tax have been used to fund conservation programs such as Forestry Stewardship and the Natural Area Partnership. DOCARE needs to be included in the programs supported by the Conveyance Tax so that it can continue to fulfil its mission to effectively manage the natural, cultural, and historic resources of the State. The same resources that the people of Hawaii and its economy rely upon.

Thank you for the opportunity to comment on this measure.

**SB-1179**

Submitted on: 2/6/2021 11:21:00 PM

Testimony for WTL on 2/8/2021 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ian Garrod	Testifying for DLNR	Support	No

Comments:

I wish to provide back-up testimony for DLNR. Please allow me Zoom access. Thank you.



February 8, 2021, 1pm

**TO:** Honorable Chair Inouye and Senate Water and Land Committee members

**SUBMITTED BY:** Inga Gibson, Policy Consultant, For the Fishes  
[ponoadvocacy@gmail.com](mailto:ponoadvocacy@gmail.com), 808.922.9910

**RE: SUPPORT for SB1179; RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT.**

For the Fishes respectfully urges your **support of SB1179** which would allocate a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

Historically, DLNR and specifically, DOCARE, has been severely underfunded, having one of the lowest rates of state funding per person, when compared to all other state wildlife agencies. DLNR-DOCARE is mandated to protect our natural resources, held in the public trust, from activities that severely degrade our marine environment, such as preventing the poaching of our reef wildlife through aquarium collecting for the mainland pet trade. The aquarium trade, similar to the shark fin trade that was prohibited in Hawaii in 2010, is inherently difficult to regulate. Until the aquarium trade is completely closed through state legislation, poaching will continue, as any legal activity only serves to provide cover for illegal activity.

Please see below media articles supporting the need for additional DOCARE funding as all of these defendants had been reported to DOCARE for **years**, yet it was only when NOAA's Office of Law Enforcement provided their resources and expertise, did it result in an investigation and subsequent charges. DOCARE stated that it was their lack of staffing, funding and resources as to why they could not intervene earlier to investigate these poachers. DOCARE Officers are only funded to work day shifts, not after hours, overtime, weekends, holidays.

Thank you for your consideration of this testimony.

Five aquarium collectors were separately found poaching our reef wildlife in West Hawaii in the

past year alone and only charged when NOAA OLE intervened:

<https://www.staradvertiser.com/2020/06/06/hawaii-news/a-west-hawaii-aquarium-fisher-gets-a-small-fine-for-a-big-illegal-haul/>

<https://www.hawaiitribune-herald.com/2020/09/17/hawaii-news/illegal-aquarium-fishing-arrest-prompts-search-and-rescue-mission/>

<https://dlnr.hawaii.gov/blog/2020/09/16/nr20-143/>

<https://www.kitv.com/story/42561612/naalehu-man-arrested-for-illegal-takes-of-hundreds-of-fish>

<https://www.bigislandvideonews.com/2020/02/22/dlnr-two-men-caught-taking-550-tropical-fish-in-kawaihae/>

<https://mauinow.com/2020/02/22/two-men-cited-for-illegal-aquarium-gear-fish/>

<http://dlnr.hawaii.gov/blog/2020/02/21/nr20-026/>

<https://www.hawaiinewsnow.com/2020/05/23/dlnr-proposes-k-fines-alleged-aquarium-fish-poachers/?outputType=amp>

[Kealakekua couple to pay \\$76,400 to settle aquarium poaching case | West Hawaii Today](#)

<https://www.staradvertiser.com/2021/01/14/breaking-news/west-hawaii-couple-fined-76k-for-the-illegal-harvest-of-aquarium-fish/>

**SB-1179**

Submitted on: 2/7/2021 9:10:01 AM

Testimony for WTL on 2/8/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
James E. Coon	Testifying for Trilogy Excursions	Support	No

## Comments:

Trilogy Excursions is Maui's oldest charter boat company. Established in 1973, this is our family business now run by the next generation. We have led the charter boat industry in protecting and preserving our near shore environment. We are in **Strong Support** of SB1179 which will provide much needed financial support to DLNR. to help protect and preserve the environment on which we all depend.for our livelihood, food source, recreation and spiritual renewal.



Ocean Tourism Coalition

*The Voice for Hawaii's Ocean Tourism  
Industry*

1188 Bishop St., Ste. 1003

Honolulu, HI 96813

(808) 537-4308 Phone (808) 533-2739 Fax

[timlyons@hawaiiantel.net](mailto:timlyons@hawaiiantel.net)

**THE SENATE  
THE THIRTY-FIRST LEGISLATURE  
REGULAR SESSION OF 2021**

**COMMITTEE ON WATER AND LAND  
Senator Lorraine R. Inouye, Chair  
Senator Gilbert S.C. Keith-Agaran, Vice Chair**

**NOTICE OF HEARING  
DATE: Monday, February 8, 2021  
TIME: 1:00 P.M.  
PLACE: Conference Room 22**

**TESTIMONY OF THE OCEAN TOURISM COALITION IN SUPPORT TO  
SB1179 AS WRITTEN.**

Dear Chair Lorraine, Vice Chair Keith-Agaran, and Members of the Committee on Water and Land:

The Ocean Tourism Coalition (“OTC”) supports SB1179 (the “Bill”). The OTC is and always will be an avid supporter of protecting our natural ocean environment. Our industry, along with most of the industries in Hawaii, rely on Hawaii’s natural beauty and resources. The Ocean Tourism industry already contributes 3% of its gross revenue each year to DLNR, along with GET and property taxes. We cannot bear the entire burden of funding DLNR conservation efforts, and we welcome additional sources of income for the agency.

Sincerely,  
Zachary LaPrade, Director, OTC

February 8, 2021

**The Honorable Lorraine Inouye, Chair**  
Senate Committee on Water and Land  
Via Videoconference

**RE: S.B. 1179 Relating to Funding for the Division of Conservation and Resources Enforcement**

**HEARING: Monday, February 8, 2021, at 1:00 p.m.**

Aloha Chair Inouye, Vice Chair Keith-Agaran, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** Senate Bill 1179, which allocates a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

While HAR supports efforts that conserve our islands natural resources, we oppose the funding mechanism which, we believe, should be directly supported through the general fund, and not through the Conveyance Tax.

The problem with linking the Conveyance Tax to new special funds, is that it fluctuates with the increases or decreases in the housing market. In a down market, there will be a gap between the Funds needs and the taxes collected. Real estate is cyclical, by tying in a special fund to the Conveyance Tax; it will become a target to increase the Tax during a down market, which has happened numerous times. As such, the Conveyance Tax is an unstable means of funding.

The Conveyance Tax also is very broad and applies to the conveyance of multi-family rentals, land for residential subdivisions, mixed-income and multi-use properties, commercial properties, resort properties, and agricultural lands, as well as condominium and single-family homes. As such, it adds to the cost of housing and doing business in Hawai'i. It also applies whether or not a property is sold at a gain or a loss.

HAR further adds that the Conveyance Tax was originally created to cover administrative costs of recording real estate transactions, such as those performed by the Bureau of Conveyance, for which there is a clear nexus. Hawaii's natural resources are enjoyed by residents and visitors as a whole, and as such, should be supported via the general fund.

Mahalo for the opportunity to testify.



**SB-1179**

Submitted on: 2/6/2021 10:06:38 AM

Testimony for WTL on 2/8/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Matson	Individual	Support	No

Comments:

**Senate Bill 1179**

Allocates a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

Now, more than ever, DOCARE manpower and coverage must be increased for assured enforced protection of Hawai'i's natural, cultural, historic and scenic resources from hard-core illegal transient encampment intrusions that destroy these protected resources with fires, myriad mounds of trash, and ground pollution - as unalterably demonstrated within and around the Diamond Head National Natural Landmark and State Historic Monument.