

## GOV. MSG. NO. 1372

## EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

July 7, 2023

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Second State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 'The Honorable Scott K. Saiki Speaker, and Members of the House of Representatives Thirty-Second State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1090, without my approval and with the statement of objections relating to the measure.

HB1090

RELATING TO OCEAN RECREATION COMMERCIAL PERMITS.

Sincerely,

Josh Green, M.D.

Governor, State of Hawai'i

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# EXECUTIVE CHAMBERS HONOLULU July 7, 2023

#### STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1090

Honorable Members Thirty-Second Legislature State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1090, entitled "A Bill for an Act Relating to Ocean Recreation Commercial Permits."

The purposes of this bill are to (1) allow the Department of Land and Natural Resources (DLNR) to designate moorage space within State small boat harbors to accommodate commercial fishing vessels and transient vessels, (2) specify the method by which the DLNR may issue new ocean recreation commercial permits to owners of vessels, and (3) require the DLNR to determine which permittees will be allowed to continue to renew their commercial use permits when the permit limit established by law is exceeded. In the event of an exceeded limit, issuance of new and renewal of existing permits will be based on seniority.

This bill is objectionable because, while I understand and respect the need to limit commercial uses in our shared oceans for the safety and protection of our natural and cultural resources, determining the issuance of new commercial use permits and the renewal of existing permits solely based on seniority may not be the singular metric to adequately achieve the necessary limits. Our laws provide the DLNR an objective means to issue new permits—by lottery. This lottery system will continue to allow the DLNR to issue new permits while the DLNR may seek a more balanced approach to prioritizing applications. Additionally, the law already provides that DLNR may refrain from renewing permits to permittees who fail to comply with permit terms and conditions.

STATEMENT OF OBJECTIONS HOUSE BILL NO. 1090 Page 2

For the foregoing reasons, I am returning House Bill No. 1090 without my approval.

Respectfully,

JOSH GREEN, M.D. Governor of Hawai'i



## A BILL FOR AN ACT

RELATING TO OCEAN RECREATION COMMERCIAL PERMITS.

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

- 1 SECTION 1. Section 200-10, Hawaii Revised Statutes, is
- 2 amended as follows:
- 3 1. By amending subsection (d) to read:
- 4 "(d) The department shall not renew or issue a permit to a
- 5 person who is not the owner of the vessel [which] that is moored
- 6 or [which] that the person desires to moor in a state small boat
- 7 harbor. No use permit may be transferred unless specifically
- 8 provided by law. Any individual who is an owner of a vessel
- 9 used for commercial purposes, including commercial fishing as a
- 10 principal means of livelihood, and possesses a valid mooring
- 11 permit or commercial permit, or both, in accordance with the
- 12 rules adopted by the chairperson pursuant to chapter 91, may
- 13 transfer ownership of the vessel from personal ownership to
- 14 corporate or other business ownership without terminating the
- 15 right to moor or operate the vessel under the permit or permits.
- 16 The existing permit or permits shall be reissued in the name of
- 17 the transferee corporation or other business entity. The



1	departmen	t may designate moorage space within state small boat
2	harbors t	o accommodate commercial fishing vessels and transient
3	vessels."	
4	2.	By amending subsection (g) to read:
5	" (g)	[The department may designate moorage space within
6	state sma	ll boat harbors to accommodate commercial fishing
7	vessels a	nd transient vessels.] Except as provided in section
8	200-37(1)	, all new commercial use permits issued for commercial
9	ocean rec	reation activity occurring in an ocean recreation
10	management area that are not renewals of permits shall be issued	
11	by the following methods and in the following order until all	
12	permits a	llowed by law or determined by the department to be a
13	reasonabl	e number have been issued:
14	(1)	Seniority based on an applicant's number of years
15		engaged in the business for which a commercial use
16		permit is sought, proven by records including but not
17		limited to booking records, gross receipts, passenger
18		manifests, vessel logs, dive logs, and tax records;
19	(2)	Seniority based on the date and time a commercial use
20		permit application was submitted;
21	(3)	Unsealed public auction; and

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- 1 (4) Lottery.
- 2 Within an ocean recreation management area or state boating
- 3 facility in which the department has implemented administrative
- 4 rules setting a limit on the number of commercial use permits
- 5 that can be issued at any one time, if the number of commercial
- 6 use permits issued exceeds the relevant permit limit, the
- 7 department shall determine which permittees will be allowed to
- 8 continue to renew their commercial use permit and shall disallow
- 9 all other permittees from renewing their commercial use permit
- 10 by seniority based on the existing permittees' number of years
- 11 engaged in the business in the area or facility, proven by
- 12 records including but not limited to booking records, gross
- 13 receipts, passenger manifests, vessel logs, dive logs, and tax
- 14 records, in order to meet the permit limit."
- 15 SECTION 2. This Act does not affect rights and duties that
- 16 matured, penalties that were incurred, and proceedings that were
- 17 begun before its effective date.
- 18 SECTION 3. Statutory material to be repealed is bracketed
- 19 and stricken. New statutory material is underscored.
- 20 SECTION 4. This Act shall take effect upon its approval.

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APPROVED this

day of

, 2023

GOVERNOR OF THE STATE OF HAWAII

## THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2023 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2023.

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Scott K. Saiki Speaker House of Representatives

W.L. Telle

Brian L. Takeshita

Chief Clerk

House of Representatives

## THE SENATE OF THE STATE OF HAWAI'I

Date: May 2, 2023

Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2023.

President of the Senate

Clerk of the Senate