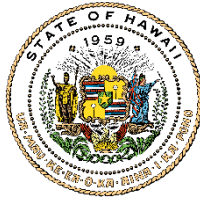


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STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
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Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Friday, March 1, 2024
9:55 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of
SENATE BILL 2182
RELATING TO OCEAN STEWARDSHIP

Senate Bill 2182 proposes to make permanent the Ocean Stewardship Special Fund. **The Department of Land and Natural Resources (Department) strongly supports this bill.**

The Department recently promulgated administrative rules to implement the Ocean Stewardship User Fee as required by Hawaii Revised Statutes (HRS) § 187A-52. This statutorily mandated program requires all commercial ocean operators that are required to have a commercial use permit from the Division of Boating and Ocean Recreation (DOBOR) to collect a \$1.00 fee from each passenger or customer and to transmit these fees to the Department. All Ocean Stewardship User Fees must be deposited into the Department's Ocean Stewardship Special Fund to be used for the conservation, restoration, enhancement, and management of Hawai'i's marine resources in accordance with HRS § 187A-51. Commercial ocean operators began collecting this fee in January, and the Department will begin to receive these fees next month.

The Department plans to use Ocean Stewardship User Fee revenues for a number of projects and programs including, but not limited to:

- A statewide day-use mooring buoy program;
- Community stewardship support and grants
- Habitat restoration, including coral reefs and estuaries;
- Improving coastal water quality;
- Education and outreach;
- Marine invasive species management;
- Commercial operator stewardship grants; and

- Marine debris prevention, response, and mitigation.

Making permanent the Ocean Stewardship Special Fund will ensure that fees paid by ocean users will continue to be used to conserve, restore, enhance, and manage ocean resources for the benefit of residents, visitors, and local businesses. It will also enable the Department to plan for longer-term ocean stewardship projects that require a greater investment of time and resources, such as mauka to makai restoration and monitoring.

Mahalo for the opportunity to provide testimony in support of this measure.



SIERRA CLUB OF HAWAI'I

SENATE COMMITTEE ON WAYS AND MEANS

March 1, 2024

9:55 AM

Conference Room 211

In SUPPORT of SB2182: Relating to Ocean Stewardship

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

On behalf of our over 20,000 members and supporters, the Sierra Club of Hawai'i **SUPPORTS** SB2182, which would make permanent a mechanism for generating substantial and dedicated revenues to support the conservation, restoration, and enhancement of our marine resources.

The importance of our nearshore waters and resources to the ecological, cultural, social, and economic interests of Hawai'i cannot be emphasized enough, and the state accordingly holds a range of constitutional duties in their management and protection. For example, our nearshore ocean waters are safeguarded under the public trust, as outlined in the Hawai'i State Constitution Art. XI Secs. 1 and 6, while submerged lands are also part of the Public Land Trust established under the Admission Act and reaffirmed under Art. XII Sec. 4. The Hawai'i State Constitution Art. XII Sec. 7 further requires the state and its agencies to protect and enforce Native Hawaiian rights, including traditional and customary practices associated with, and dependent upon, carefully managed and abundant nearshore resources.

Unfortunately, the **Department of Land and Natural Resources (DLNR)** has faced **severe resource limitations** that have hindered its ability to fulfill the state's constitutional responsibilities relating to the protection and management of our nearshore environment. The continued decline of our marine environment due in part to the DLNR's inadequate management capacity poses a substantial threat to the overall well-being of our islands, and highlights the need for interventions that can better ensure that the state's constitutional duties are upheld.

Accordingly, the Ocean Stewardship User Fee was established by the legislature in 2021, to supply the DLNR with a crucial and potentially revolutionary source of financial resources to protect and manage our nearshore waters. Such financial support will empower the DLNR and the Department of Land and Natural Resources to better fulfill the state's constitutional duties in safeguarding and managing Hawai'i's invaluable ocean environment.

While Ocean Stewardship User Fee rules have only just been established, making the Ocean User Fee permanent would allow the DLNR to make the most of the funds it will soon begin to receive. The current sunset of the Ocean Stewardship User Fee limits the strategic options that the DLNR might otherwise consider in its plans to expend these initial moneys. The assurances of a continued revenue stream, on the other hand, will allow the DLNR to engage in more

comprehensive and long-term planning for User Fee-funded programs that would have a much greater potential benefit to our nearshore environment, and by extension, the people of Hawai'i.

Accordingly, the Sierra Club respectfully urges the Committee to **PASS** SB2182.

Mahalo nui for the opportunity to testify.

**Testimony of The Nature Conservancy
Support for SB 2182, Relating to Ocean Stewardship
Committee on Ways and Means
March 1, 2024, 9:55 a.m.
Conference Room 211 & Videoconference**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The Nature Conservancy (TNC) **supports** SB 2182, relating to ocean stewardship, which makes permanent the Ocean Stewardship Special Fund. We strongly supported establishment of the fund in 2021 and believe it can play an important role in comprehensively addressing the gap in funding natural resource protection and restoration.

Life in Hawai'i is concentrated along our spectacular coasts, where islanders and visitors take full advantage of tropical waters and vibrant coral reefs teeming with life. The reefs that line our coasts are environmental, economic, recreational, and cultural treasures that support our island lifestyle and livelihoods. Each year, they provide flood protection to people, property, and jobs valued at more than \$836 million, support nearshore fisheries worth \$13.4 million, and contribute more than \$1.2 billion through reef-related tourism to the state's economy. Yet local pressures from overfishing and land-based pollutants have contributed to a 60% decline in living coral reefs in some areas over the past 40 years, and as much as a 90% decline in some important nearshore fisheries. The impacts of global climate change, such as warming and rising seas and more powerful and frequent storms, hasten the loss of coral reefs and threaten coastal areas with flooding and erosion. In a recent poll of Hawai'i residents, 93% said that coral reefs dying off was a serious concern. We must reverse this trend to protect the environmental engine that drives our economy.

DLNR is responsible for managing and protecting Hawai'i's coral reefs, nearshore fisheries, and other important coastal resources, and it is imperative that they have the financial resources necessary to do so. This bill will enable DLNR to continue collecting nominal fees from visitors for the use and enjoyment of the State's ocean resources. These fees provide critical revenue to DLNR for essential marine resource protection, restoration, and management. The Ocean Stewardship Fee is currently collected through commercial ocean operators who provide services to tourists. Collected fees are directed into a special fund managed by the Division of Aquatic Resources (DAR), and residents and visitors alike benefit from healthier and more resilient marine resources.

Mahalo for the opportunity to testify in **support** of SB 2182.

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LATE

Testimony Before The
Senate Committee on Ways and Means
IN SUPPORT OF SB2182
March 1, 2024, 9:55AM, Room 211 & Via Zoom

We are Olan Leimomi Fisher and Kevin Chang, Kua'āina Advocate and Executive Director, respectively, testifying on behalf of [Kua'āina Ulu 'Auamo \(or KUA\)](#). "Kua'āina Ulu 'Auamo" stands for "grassroots growing through shared responsibility," and our acronym "KUA" means "backbone." **Our mission is to connect and empower communities to improve their quality of life through the collective care for their biocultural (natural and cultural) heritage, serving as a "backbone organization" that supports creative, community-driven solutions to problems stemming from environmental degradation.** Hawai'i's biocultural resources continue to be negatively impacted by political, economic, and social changes, and the increasing dangers of climate change make fostering and empowering resilient communities acutely critical.

Currently KUA supports three major networks of: (1) almost 40 mālama 'āina (caring for our 'āina or "that which feeds") community groups collectively referred to as E Alu Pū (moving forward together); (2) over 60 loko i'a (fishpond aquaculture systems unique to Hawai'i) and wai 'ōpae (anchialine pool systems) sites in varying stages of restoration and development, with numerous caretakers, stakeholders, and volunteers known as the Hui Mālama Loko i'a ("caretakers of fishponds"); and (3) the Limu Hui made up of over 50 loea (traditional experts) and practitioners in all things "limu" or locally-grown "seaweed." **Our shared vision is to once again experience what our kūpuna (ancestors) referred to as 'ĀINA MOMONA – abundant and healthy ecological systems that sustain our community resilience and well-being.**

KUA supports SB2182 as an incremental step toward 'āina momona.

This bill makes permanent the Department of Land and Natural Resources' (DLNR's) Ocean Stewardship Special Fund to collect non-resident user fees for the use and enjoyment of our State's ocean resources.

A primary function of KUA includes support for the development of an 'auwai, or a system of resources, tools, bridges, relationships, and networks that cultivate and elevate our communities' efforts to greater levels of collective impact in the care of our biocultural resources. A core catalyst for the flow in this 'auwai includes increasing aloha 'āina reciprocation or "giving back" to the community-led efforts on the 'āina and in the kai – those directly impacted by, and caring for, our natural environment and animals that feed our bodies, minds, and souls in neverending ways. **The funds generated through these Ocean Stewardship User Fees are a step in the right direction toward increasing 'āina momona here in Hawai'i as other island nations have likewise been implementing, and we applaud DLNR for its hard work in establishing this fund late last year.**

In our testimony to the DLNR Board last December for the adoption of this fund, we strongly encouraged that **a portion of the generated funds should go directly toward community-led efforts and increasing the Division of Aquatic Resources' capacity to reciprocate and collaborate with more communities across Hawai'i.** Our state depends on healthy marine systems; they feed us, protect our shorelines, support and sustain cultural practices, and ensure economic vitality. **For the last century since the overthrow of the Hawaiian Kingdom, ocean recreation users and visitors have enjoyed Hawai'i's ocean resources with no direct contribution to the ocean's care and vitality. As such, the health of our oceans continue to be threatened by unsustainable human use.** This bill affirms a fortified pathway to generate the necessary revenues for more marine resource protection, restoration, conservation, and education. And we are hopeful and excited that this fund will also boost increased government and community capacities for collaboration in caring for our shared nearshore resources.

Mahalo nui for considering our testimony in support. Please **PASS** SB2182.

Aloha 'Āina Momona no nā kau ā kau.

LATE

SB-2182

Submitted on: 2/29/2024 12:22:18 PM

Testimony for WAM on 3/1/2024 9:55:00 AM

Submitted By	Organization	Testifier Position	Testify
Denver Saxton Coon	Testifying for Ocean Tourism Coalition	Oppose	Written Testimony Only

Comments:

The Ocean Tourism Coalition is writing to state its support for the Ocean Stewardship Special Fund but our current opposition SB2182 and making the fund permanent this legislative session. We would ask to see how the program is run this year and then revisit this issue next legislative session. Thank you.

SB-2182

Submitted on: 2/28/2024 4:18:11 PM

Testimony for WAM on 3/1/2024 9:55:00 AM

Submitted By	Organization	Testifier Position	Testify
Klayton Kubo	Individual	Support	Written Testimony Only

Comments:

Support