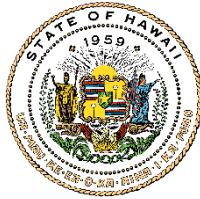
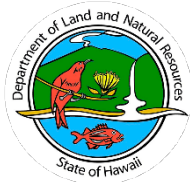


JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621  
HONOLULU, HAWAII 96809

DAWN N. S. CHANG  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
RYAN K.P. KANAKA'OLE  
FIRST DEPUTY  
DEAN D. UYENO  
ACTING DEPUTY DIRECTOR - WATER  
AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
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ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

Testimony of  
DAWN N. S. CHANG  
Chairperson

Before the Senate Committee on  
WATER AND LAND

Monday, February 12, 2024  
1:00 PM

State Capitol, Conference Room 229 & 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 WATER & LAND

February 12, 2024      1:00 PM      Conference Room 229

**In SUPPORT of SB2182:** Relating to Ocean Stewardship

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Aloha Chair Inouye, Vice Chair Elefante, and Members of the Committee,

On behalf of our 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.



THE SENATE  
KA 'AHA KENEKOA

THE THIRTY-SECOND LEGISLATURE  
REGULAR SESSION OF 2024

COMMITTEE ON WATER AND LAND

Senator Lorraine R. Inouye, Chair

Senator Brandon J.C. Elefante, Vice Chair

NOTICE OF HEARING

DATE: Monday, February 12, 2024  
TIME: 1:00 PM  
PLACE: Conference Room 229 & Videoconference  
State Capitol  
415 South Beretania Street

Dear Chair Inouye, Vice Chair Elefante, and Members of the Committee on Water and Land:

The Ocean Tourism Coalition (OTC) represents hundreds of tour operators and charter boat businesses statewide. I am writing to express my opposition to SB2182, which seeks to make the Ocean Stewardship Special Fund permanent. While we fully support the Ocean Stewardship User Fee, I believe rushing to make it a permanent before fully assessing the State's use of fund is premature.

The Ocean Stewardship User Fee program has only recently commenced collecting fees, with its implementation beginning just this year. Given the nascent stage of the program, OTC believes it would be wise to exercise caution and prudence in making long-term commitments, especially regarding the allocation of public funds. Without proper oversight and accountability measures in place, there is a risk that these funds may be misallocated or wasted. It is therefore incumbent upon us to closely monitor the program's implementation and assess its impact before enshrining the special fund in perpetuity.

While I recognize the importance of supporting the Ocean Stewardship User Fee, I believe that SB2182 is premature in its current form. We must allow sufficient time for the program to operate, gather data on its effectiveness, and ensure transparent and responsible use of funds before making any decisions regarding its permanence.

In conclusion, I would caution against passing SB2182 this year and instead advocate for a more measured approach that prioritizes accountability and transparency in the management of ocean stewardship funds. We can revisit the idea of making permanent the special fund in the near future, but it is imperative that we exercise prudence and diligence in our decision-making process at present. Thank you for considering my testimony on this matter.

Sincerely,

Denver S. Coon

President

OTC

**SB-2182**

Submitted on: 2/9/2024 10:51:06 AM

Testimony for WTL on 2/12/2024 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Zachary LaPrade	Testifying for Quicksilver Charters	Oppose	Written Testimony Only

Comments:

Dear Esteemed Senators,

We are writing to express our conditional opposition to SB 2182. As stakeholders in the commercial boating industry, we were instrumental in supporting the establishment of the Ocean Stewardship Special Fund, a significant achievement that required extensive efforts to persuade stakeholders and secure its passage. Our industry is directly impacted by the fee of \$1.00 per passenger, contributing millions of dollars to the Division of Aquatic Resources with the understanding that a portion of these funds would be allocated to the day-use mooring program.

While we steadfastly support the objectives of the Ocean Stewardship Special Fund and recognize the importance of responsible ocean stewardship, our current opposition to SB 2182 is grounded in our commitment to ensuring that these funds are specifically directed toward the day-use mooring program. The resources generated from the commercial boating industry must be utilized effectively and transparently to benefit the initiatives we were assured they would support.

Despite our ongoing support for the fund's overarching objectives, we believe it is necessary to evaluate its performance, with particular emphasis on the day-use mooring program, before considering its permanent establishment. We are dedicated to the success of the fund and its mission, but this necessitates evidence of its effectiveness and prudent governance.

Therefore, we respectfully urge a delay in making the Ocean Stewardship Special Fund permanent until a thorough evaluation has been conducted to ensure that the funds are being utilized in alignment with our industry's expectations and the assurances provided during the bill's passage. Thank you for considering our perspective.

Respectfully,

Zachary LaPrade

**SB-2182**

Submitted on: 2/10/2024 11:19:18 AM

Testimony for WTL on 2/12/2024 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ted Bohlen	Testifying for Hawaii Reef and Ocean Coalition	Support	Written Testimony Only

Comments:

Please make the Ocean Stewardship Special Fund permanent!



RESOURCES LEGACY FUND  
CREATIVE SOLUTIONS. LASTING RESULTS.

February 12, 2024

Senator Lorraine Inouye  
Chair, Committee on Water & Land

Senator Brandon J.C. Elefante  
Vice-Chair, Committee on Water & Land

**Re: Testimony in Support of SB 2182, Relating to Ocean Stewardship**

Aloha Chair Inouye, Vice-Chair Elefante and members of the committee,

On behalf of Resources Legacy Fund (RLF), I am writing **in support of SB 2182, Relating to Ocean Stewardship**, as it is vitally important that Hawai'i have more dedicated funding to effectively manage and restore its irreplaceable marine resources. This bill would make permanent the ocean stewardship special fund.

RLF is a 501(c)(3) nonprofit organization founded in 2000 that partners with communities, government, science, and philanthropy to advance bold solutions to secure a just and resilient world for people and nature. Since 2019, RLF has been working in Hawai'i supporting efforts to improve management of Hawai'i's nearshore waters, design and implement visitor impact funding, and restore Hawai'i's forests.

Our ocean, reefs, and marine resources are critically important to Hawai'i, providing residents with livelihoods, protecting us against floods, and feeding our families. Our ocean and reefs contribute more than \$1.2 billion in reef-related tourism, \$836 million-worth of flood protection, and support nearshore fisheries valued at \$13.4 million, and they are integral for cultural practitioners to pass down traditional and indigenous knowledge.

We recognize the increasing burden on Hawai'i marine ecosystems from climate change, land-based sources of pollution, and overuse. These mounting pressures have created an increasing need for dedicated funding to support marine stewardship, restoration, and monitoring by the Division of Aquatic Resources and its partners in communities and organizations across the pae `āina.

The Ocean Stewardship Special Fund is vital to improving the health of our nearshore waters and enhance the many values they support. Please advance this bill.

Mahalo,

Jocelyn Herbert  
Senior Program Officer



**SB-2182**

Submitted on: 2/7/2024 1:48:43 PM

Testimony for WTL on 2/12/2024 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Uilani Naipo	Individual	Support	Written Testimony Only

Comments:

I support this measure!

- U'ilani Naipo