

SENATE COMMITTEE ON WAYS AND MEANS
The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair

S.B. NO. 98, S.D. 1, RELATING TO WILDLIFE MANAGEMENT

Hearing: Thursday, March 2, 2023, 10:00 a.m.

The Office of the Auditor offers the following comments on S.B. No. 98, S.D. 1. Section 2 of the bill requires the Auditor to conduct an audit of the Department of Land and Natural Resources' Aquatic Resources Division "to determine how funds received from the Wildlife and Sport Fish Restoration program have been expended by the State." We are also requested to include "the recipient and purpose of each expenditure made with the funds received from the Wildlife and Sport Fish Restoration Program."

The Senate Committee on Water and Land amended the bill to require the Aquatic Resources Division to submit a report to the Legislature, annually, that "summarizes the expenditures of funds received from the Wildlife and Sport Fish Restoration Program for the preceding year," including "the recipient and purpose of each expenditure." The Aquatic Resources Division is the more appropriate entity to provide the requested information to the Legislature.

Accordingly, we request the audit requirement in Section 2 of the bill be deleted. A proposed S.D. 2 is attached for the Committee's consideration.

Thank you for considering our testimony related to S.B. No. 98, S.D. 1.

A BILL FOR AN ACT

RELATING TO WILDLIFE MANAGEMENT.

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

SECTION 1. The legislature finds that in 2022, the State received over ten million dollars in federal money from the Wildlife and Sport Fish Restoration program, also known as the Pittman-Robertson Dingell-Johnson/Wallop-Breaux program. The purpose of the funds is to support sustainable fishing and hunting and wildlife conservation throughout the Hawaiian islands. The legislature further finds that in order to better support local fishers, oversight of the funds' expenditures is needed.

Accordingly, the purpose of this Act is to require:

~~(1) The auditor to conduct a study an audit of the department of land and natural resources' aquatic resources division to determine how funds received from the Wildlife and Sport Fish Restoration program have been expended in the State; and~~

~~(2)~~ The department of land and natural resources' division of aquatic resources to submit an annual report to the legislature beginning in 2025.

~~SECTION 2. (a) The auditor shall conduct an audit of the department of land and natural resources' aquatic resources division to determine how funds received from the federal government through the Wildlife and Sport Fish Restoration program, also known as the Pittman-Robertson-Dingell-Johnson/Wallop-Breaux program, have been expended in the State. The audit shall include the recipient and purpose of each expenditure made with funds received from the Wildlife and Sport Fish Restoration Program.~~

~~(b) The auditor shall submit a report of the auditor's findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2024.~~

SECTION 32. The division of aquatic resources shall submit an annual report to the legislature no later than twenty days prior to the convening of the regular session of 2025 and each regular session thereafter that summarizes the expenditures of funds received from the Wildlife and Sport Fish Restoration Program for the preceding year, and shall include the recipient and purpose of each expenditure.

SECTION 43. This Act shall take effect on July 1, 2050.

Report Title:

~~Audit;~~ Department of Land and Natural Resources; Aquatic Resources Division; Wildlife and Sport Fish Restoration Program; Federal Funding

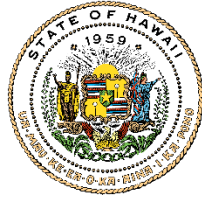
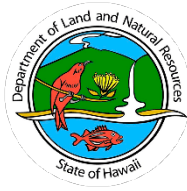
Description:

~~Requires the Auditor to audit the Department of Land and Natural Resources' Aquatic Resources Division's expenditures of funds received from the federal Wildlife and Sport Fish Restoration Program.~~ Requires the Department of Land and Natural Resources' Aquatic Resources Division to submit a report to the Legislature from the Office of the Auditor prior to the convening of the Regular Session of 2024 and an annual report to the Legislature from the Division of Aquatic Resources no later than twenty days prior to the convening of the regular session of 2025 and each regular session thereafter. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
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KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Thursday, March 2, 2023
10:00 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of
SENATE BILL 98, SENATE DRAFT 1
RELATING TO WILDLIFE MANAGEMENT

Senate Bill 98, Senate Draft 1 proposes to require the Auditor to audit the Department of Land and Natural Resources' (Department) Division of Aquatic Resources' expenditures of funds received from the federal Wildlife and Sport Fish Restoration program and requires a report to the Legislature from the Office of the Auditor prior to the convening of the Regular Session of 2024 and an annual report to the Legislature from the Division of Aquatic Resources beginning in 2025. **The Department respectfully opposes this measure because it is unnecessary.**

In 2022, Hawaii received \$10,737,672 from the Federal government in the form of apportionments for the Wildlife Restoration Program and Sport Fish Restoration Program. The Wildlife Restoration Act aka Pittman-Robertson (P-R) established an excise tax on guns, ammunition, and hunting equipment, and the Sport Fish Restoration Act aka Dingell-Johnson (D-J) established an excise tax on fishing tackle and gasoline for boats and small engines to fund these programs.

Hawaii's apportionments were split among four of the Department's divisions as follows: \$6,741,058 was the P-R apportionment, which is shared by the Division of Forestry and Wildlife (DOFAW) to fund hunting/wildlife projects and the Division of Conservation and Resources Enforcement (DOCARE) to fund hunter education projects; \$3,996,614 was for D-J, which is split as required by Congress (85% sport fish/15% recreational boating access). So of the 2022 D-J apportionment, \$3,397,122 went to the Division of Aquatic Resources (DAR) to fund

recreational fishing projects and \$599,492 went to the Division of Boating and Ocean Recreation (DOBOR) to fund recreational boating access.

The table below shows the budget breakdown of DAR’s share of the D-J apportionment for FY23.

DAR - Sport Fish Restoration Program				
GRANT TITLE	PROJECT TITLE	FEDERAL	STATE	TOTAL
Statewide Freshwater Fisheries Development	Freshwater Public Fishing Areas	315,000	105,000	420,000
Statewide Marine Fisheries Development	Artificial Reef Fish Habitat	300,000	100,000	400,000
	Fish Aggregating Devices Development & Operation	570,000	190,000	760,000
	Total Grant Cost	870,000	290,000	1,160,000
Statewide Sport Fish Restoration Program Coordination	Sport Fish Restoration Program Coordination	222,000	74,000	296,000
Statewide Freshwater Fisheries Research & Surveys	Fish Population Structure, Biotic Fluctuations, Environmental Disturbances in Public Fishing Areas	73,500	24,500	98,000
Statewide Freshwater Fisheries Technical Guidance	Statewide Freshwater Fisheries Technical Guidance	84,000	28,000	112,000
Statewide Marine Fisheries Technical Guidance	Statewide Marine Fisheries Technical Guidance	132,000	44,000	176,000
Statewide Marine Fisheries Research & Surveys	Survey of Fish and Habitat	675,000	225,000	900,000
	Hawaii Marine Recreational Fishing Survey	300,000	100,000	400,000
	Investigation of Hawaiian Estuaries	663,500	221,167	884,667
	Aquatic Resources Database	201,375	67,125	268,500
	Life Histories of Marine Fishes	78,000	26,000	104,000
	Total Grant Cost	1,917,875	639,292	2,557,167
Hawaii Aquatic Resources Education Program	Aquatic Resources Education	450,000	150,000	600,000
	Overall Total Grant Costs	4,064,375	1,354,792	5,419,167

These Department programs, which the United States Fish & Wildlife Service (USFWS) oversee, are audited annually by the Department’s single audit. The Wildlife Restoration Program and Sport Fish Restoration Program are also audited on a five-year cycle by the Department of Interior’s Office of the Inspector General so these audits should be available for review. Finally, all DAR sport fish project proposals are reviewed annually by USFWS to ensure they are in alignment with the purposes of the Sport Fish Restoration grant.

Mahalo for the opportunity to present testimony on this measure.