

JAN 15 2025

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# A BILL FOR AN ACT

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RELATING TO STATE BOATING FACILITIES.

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

1       SECTION 1. The legislature finds that the division of  
2 boating and ocean recreation (DOBOR) of the department of land  
3 and natural resources is tasked with thirteen statutory mandates  
4 primarily relating to the operation and management of state  
5 small boat harbors and the administration of the ocean  
6 recreation management program. However, the legislature  
7 recognizes that, due to statutory limitations, DOBOR has been  
8 unable to fulfill its statutory mandate of administering the  
9 ocean recreation management program, and instead has  
10 disproportionately devoted almost all of its staff and resources  
11 to the operation and management of the sixteen state small boat  
12 harbors and numerous boat launch ramp facilities throughout the  
13 State.

14       The legislature notes that, historically, DOBOR has not  
15 received adequate staff or funding to meet all of its statutory  
16 mandates and that the state small boat harbor program is  
17 severely underfunded. Due to inflation and increased



1 construction costs, DOBOR has approximately \$1,100,000,000 in  
2 deferred maintenance costs as of 2024. With an annual  
3 operational budget of roughly \$30,000,000, DOBOR is unable to  
4 address its deferred maintenance backlog, leaving facilities in  
5 a state of disrepair while DOBOR awaits capital improvement  
6 project funding from the legislature.

7       The legislature further finds that it is nearly impossible  
8 to quantify how underfunded the ocean recreation management  
9 program is because ocean recreation activities are widespread  
10 throughout the ocean waters of the State. Furthermore, DOBOR  
11 has not been able to adequately administer the ocean recreation  
12 management program for the reasons stated, resulting in  
13 increased user conflicts, ocean safety concerns, and illegal  
14 commercial ocean activities.

15       The legislature also finds that the Ala Wai small boat  
16 harbor is the "gateway to Waikiki" and possesses significant  
17 potential to provide a positive and memorable welcome to  
18 residents and visitors alike as they enter Waikiki, as well as a  
19 community space for gatherings and recreational activities.  
20 Engaging in alternate management options for state small boat  
21 harbors, namely public-private partnerships for management of



1 small boat harbor operations, would improve small boat harbor  
2 conditions, create a more inviting atmosphere for all users, and  
3 enable DOBOR to better devote its staff, time, and resources to  
4 the administration of the ocean recreation management program.

5 A prime example of a state-owned harbor under private  
6 management is the Kewalo basin harbor under the Hawaii community  
7 development authority, which is leased to Howard Hughes  
8 Holdings, Inc., and managed by Almar Marinas. The public-  
9 private partnership at Kewalo basin harbor has resulted in  
10 timely repairs and maintenance, as well as a regular staff  
11 presence to monitor harbor activities and assist users.

12 Accordingly, the purpose of this Act is to:

- 13 (1) Establish a state boating facility lease program  
14 within the department of land and natural resources to  
15 be implemented and administered by DOBOR for the Ala  
16 Wai small boat harbor on Oahu; and
- 17 (2) Allow the board of land and natural resources to lease  
18 the Ala Wai small boat harbor in its entirety,  
19 including fast lands and submerged lands within it, by  
20 public auction, request for proposals, or direct



1 negotiation for private development, management, and  
2 operation.

3 SECTION 2. Chapter 200, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6 **"§200- State boating facility lease program;**

7 **established.** (a) There is established within the department a  
8 state boating facility lease program to be implemented and  
9 administered by the division of boating and ocean recreation.

10 (b) The board may lease Ala Wai small boat harbor in its  
11 entirety, including fast lands and submerged lands within its  
12 boundaries, by public auction, request for proposals, or direct  
13 negotiation for private development, management, and operation;  
14 provided that a lease entered into pursuant to this section  
15 shall expire on or before June 30, 2045.

16 (c) The state boating facility lease program shall be  
17 exempt from the prior legislative authorization required by  
18 sections 171-53(c) and 171-60(a).

19 (d) The department shall submit a report of its findings  
20 and recommendations, including any proposed legislation, and  
21 advise whether the state boating facility lease program should



1 be continued, modified, or terminated, to the legislature no  
2 later than twenty days prior to the convening of each regular  
3 session."

4 SECTION 3. Section 200-2.5, Hawaii Revised Statutes, is  
5 amended by amending subsection (a) to read as follows:

6 "(a) Notwithstanding any law to the contrary, the board  
7 may lease fast lands and submerged lands within ~~[an]~~ any  
8 existing state boating facility, by public auction, a request  
9 for proposals, or by direct negotiation pursuant to section  
10 171-59 and chapter 190D, for private development, management,  
11 and operation~~[; provided that any lease of fast lands or~~  
12 ~~submerged lands pursuant to a request for proposals shall be~~  
13 ~~subject to section 200-2.6, regardless to which state boating~~  
14 ~~facility the fast or submerged lands are attached].~~

15 As used in this section, the term "state boating facility"  
16 means a state small boat harbor, launching ramp, offshore  
17 mooring, pier, wharf, landing, or any other area under the  
18 jurisdiction of the department pursuant to this chapter."

19 SECTION 4. Section 200-2.6, Hawaii Revised Statutes, is  
20 repealed.



1       ~~["§200-2.6] Ala Wai boat harbor; leases. The fast lands~~  
2   ~~and submerged lands of the Ala Wai boat harbor that may be~~  
3   ~~leased include the following:~~

4       ~~(1) All fast lands and submerged lands described in the~~  
5       ~~request for qualifications or request for proposals~~  
6       ~~issued by the division of boating and ocean recreation~~  
7       ~~of the department on November 25, 2008;~~

8       ~~(2) The fast land described as a portion of tax map key:~~

9       ~~(1) 2-3-37-12, composed of approximately 112,580~~  
10      ~~square feet, presently used for harbor offices and~~  
11      ~~permitted vehicular parking; and~~

12      ~~(3) The fast land described as a portion of tax map key:~~

13      ~~(1) 2-3-37-12, which is a triangular area located~~  
14      ~~Diamond Head of Mole B, presently used for permitted~~  
15      ~~vehicular parking."]~~

16       SECTION 5. All employees of the division of boating and  
17   ocean recreation of the department of land and natural resources  
18   who occupy civil service positions and whose functions are  
19   replaced as a result of this Act shall retain their civil  
20   service status, whether permanent or temporary. Employees shall  
21   be reassigned within the division of boating and ocean



1 recreation without loss of salary, seniority (except as  
2 prescribed by applicable collective bargaining agreements),  
3 retention points, prior service credit, any vacation and sick  
4 leave credits previously earned, and other rights, benefits, and  
5 privileges in accordance with state personnel laws; provided  
6 that subsequent changes in status may be made pursuant to  
7 applicable civil service and compensation laws.

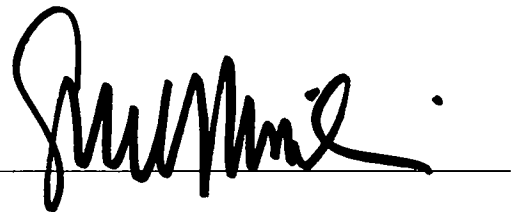
8 SECTION 6. This Act does not affect rights and duties that  
9 matured, penalties that were incurred, and proceedings that were  
10 begun before its effective date.

11 SECTION 7. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 8. This Act shall take effect upon its approval;  
14 provided that section 200- , Hawaii Revised Statutes, shall be  
15 repealed on June 30, 2045.

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INTRODUCED BY:



# S.B. NO. 364

**Report Title:**

BLNR; DLNR; DOBOR; State Boating Facility Lease Program; Ala Wai Small Boat Harbor; State Boating Facilities; Reports

**Description:**

Establishes a State Boating Facility Lease Program within the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources to be administered by DOBOR. Authorizes the Board of Land and Natural to lease Ala Wai Small Boat Harbor for private development, management, maintenance, and operation. Repeals provisions relating to the leasing of fast lands and submerged lands of Ala Wai Boat Harbor. Requires annual reports to the Legislature. Repeals the State Boating Facility Lease Program on 6/30/2045.

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

