

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1172

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

June 3, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 3, 2026, the following bill was signed into law:

S.B. NO. 2367, S.D. 2, H.D. 2,
C.D. 1

RELATING TO STATE BOATING FACILITIES.
ACT 072

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D.".

Josh Green, M.D.
Governor, State of Hawai'i

Approved by the Governor

on JUN 3 2026

THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

ACT 072
S.B. NO. 2367
S.D. 2
H.D. 2
C.D. 1

A BILL FOR AN ACT

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 of the department of land and
3 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 program. However, the legislature recognizes that,
7 due to statutory limitations, the division has been unable to
8 meet its statutory mandate of administering the ocean recreation
9 management program and has disproportionately devoted almost all
10 of its staff and resources to the operation and management of
11 the sixteen state small boat harbors, which include more than
12 two thousand slips and numerous boat launch ramp facilities
13 throughout the State, leaving very few resources available for
14 major statutory responsibilities of regulating and managing
15 ocean recreation.

16 The legislature notes that the division has historically
17 been severely underfunded, understaffed, and unable to meet its



1 statutory mandates to manage and maintain the sixteen small boat
2 harbors. Due to inflation and increased construction costs, the
3 division had approximately \$1,100,000,000 in deferred
4 maintenance costs as of 2024. With an annual operational budget
5 of roughly \$30,000,000, the division is unable to address this
6 deferred maintenance backlog, leaving facilities in disrepair
7 while awaiting capital improvement project funding from the
8 legislature.

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

17 The legislature also finds that the Ala Wai small boat
18 harbor is the "gateway to Waikiki". The harbor has significant
19 potential to provide a positive and memorable welcome to
20 residents and visitors as they enter Waikiki and to be a
21 community space for gatherings and recreational activities, as



1 envisioned by decades of community planning and summarized most
2 recently in the 2022 University of Hawaii Community Design
3 Center Ala Wai Small Boat Harbor Vision Report (2022 UH Report).
4 Engaging in alternative management options for state small boat
5 harbors, namely public-private partnerships for management of
6 small boat harbor operations, while preserving the jobs of
7 public employees working in the area, could improve small boat
8 harbor conditions, create a more inviting atmosphere for all
9 users, and enable the division to better devote its time and
10 resources to the administration of the ocean recreation
11 management program.

12 However, the legislature also finds that it is important to
13 ensure safe and meaningful public access and parking for
14 residents and visitors heading to the shoreline for relaxation
15 and recreation, including to a boat ramp. It is likewise
16 critical to ensure safe and comfortable multimodal access across
17 the shoreline between Ala Moana beach park and Waikiki beach,
18 extending the lei of parks, and creating a place appropriate and
19 aesthetically appropriate gateway to Waikiki, as envisioned by
20 the 2022 UH Report.



1 The legislature further finds that a prime example of a
2 state-owned harbor under private management is the Kewalo basin
3 harbor under the Hawaii community development authority, which
4 is leased to Howard Hughes Holdings, Inc., and managed by Almar
5 Marinas. The public-private partnership at Kewalo basin harbor
6 has resulted in timely repairs and maintenance, as well as a
7 regular staff presence to monitor harbor activities and assist
8 users, enhancing public access to a more enjoyable space.

9 Accordingly, the purpose of this Act is to:

- 10 (1) Allow the board of land and natural resources to lease
11 the management of the remaining portion of Ala Wai
12 small boat harbor, including fast lands and submerged
13 lands within its boundaries, by public auction,
14 request for proposals, or direct negotiation for
15 private development, management, and operation;
16 provided that public employees at Ala Wai small boat
17 harbor are retained; and
- 18 (2) Develop and implement a project to improve those
19 portions of Ala Wai small boat harbor that provide for
20 public space and access to the shoreline, including
21 public parking and multimodal access, extending the



1 lei of parks and creating a place- and aesthetically-
2 appropriate gateway to Waikiki, as envisioned by the
3 2022 UH Report.

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

7 "S200- State boating facility lease; authorized. (a)
8 Upon completion of boundary amendments that segregate the
9 portion of Ala Wai small boat harbor to be improved pursuant to
10 section 5, Act _____, Session Laws of Hawaii 2026, the board may
11 lease the remaining portion of Ala Wai small boat harbor,
12 including fast lands and submerged lands within its boundaries,
13 by public auction, request for proposals, or direct negotiation
14 for private development, management, and operation; provided
15 that any lease entered into pursuant to this section shall
16 expire on or before June 30, 2046.

17 (b) The state boating facility lease made pursuant to
18 subsection (a) shall be exempt from the notice and legislative
19 authorization requirements of sections 171-53(c) and 171-60 (a).

20 (c) No later than twenty days prior to the convening of
21 each regular session, the department shall submit to the



1 legislature a report of its findings and recommendations,
2 including any proposed legislation, and advise whether the state
3 boating facility lease should be continued, modified, or
4 terminated.

5 (d) For the purposes of this section, "state boating
6 facility" has the same meaning as defined in section 200-2.5."

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

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

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



1 SECTION 4. Section 200-2.6, Hawaii Revised Statutes, is
2 repealed.

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

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

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

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

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

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

18 SECTION 5. The department of land and natural resources
19 shall develop and implement a project to improve those portions
20 of Ala Wai small boat harbor that provide for public space and
21 access to the shoreline, which shall include the site known as



1 "Parcel A" and the areas immediately along the length of
2 Holomoana street from Ala Moana boulevard to Kahanamoku street,
3 including the lot known as "Parcel D" and the Ala Moana Bowls
4 parking lot, as identified in the 2022 UH Report. The project
5 shall ensure meaningful public parking within and nearest to the
6 Ala Moana Bowls parking lot and provide for cohesive, safe, and
7 comfortable multimodal access along a promenade connecting Ala
8 Moana beach park to Waikiki beach, extending the lei of parks
9 and creating a place- and aesthetically-appropriate gateway to
10 Waikiki, as envisioned by the 2022 UH Report.

11 SECTION 6. All employees of the division of boating and
12 ocean recreation of the department of land and natural resources
13 who occupy civil service positions and whose functions are
14 replaced as a result of this Act shall retain their civil
15 service status, whether permanent or temporary. Employees shall
16 be reassigned within the division of boating and ocean
17 recreation without loss of salary, seniority (except as
18 prescribed by applicable collective bargaining agreements),
19 retention points, prior service credit, any vacation and sick
20 leave credits previously earned, and other rights, benefits, and
21 privileges, in accordance with state personnel laws; provided



1 that subsequent changes in status may be made pursuant to
2 applicable civil service and compensation laws.

3 SECTION 7. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

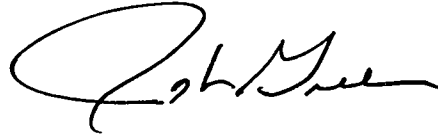
6 SECTION 8. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 9. This Act shall take effect upon its approval;
9 provided that section 200- , Hawaii Revised Statutes, shall be
10 repealed on June 30, 2046.



S.B. NO. 2367
S.D. 2
H.D. 2
C.D. 1

APPROVED this 3rd day of June, 2026




GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 6, 2026
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2026.


President of the Senate


Clerk of the Senate

SB No. 2367, SD 2, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives