

JAN 21 2026

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 instead has disproportionately devoted
10 almost all of its staff and resources to the operation and
11 management of the sixteen state small boat harbors, which
12 include more than two thousand slips and numerous boat launch
13 ramp facilities throughout the State, leaving very few resources
14 available for major statutory responsibilities of regulating and
15 managing ocean recreation.

16 The legislature notes that the division has historically
17 been severely underfunded and with insufficient staff to meet



1 its statutory mandates to manage and maintain the sixteen small
2 boat harbors. Due to inflation and increased construction
3 costs, the 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" and has significant potential
19 to provide a positive and memorable welcome to residents and
20 visitors as they enter Waikiki, and to be a community space for
21 gatherings and recreational activities. Engaging in alternative



1 management options for state small boat harbors, namely
2 public-private partnerships for management of small boat harbor
3 operations, would improve small boat harbor conditions, create a
4 more inviting atmosphere for all users, and enable the division
5 to better devote its staff time and resources to the
6 administration of the ocean recreation management program.

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

15 Accordingly, the purpose of this Act is to:

- 16 (1) Establish a state boating facility management lease
17 program within the department of land and natural
18 resources, to be implemented and administered by the
19 division of boating and ocean recreation, for the Ala
20 Wai small boat harbor on Oahu; and



(2) Allow the board of land and natural resources to lease the management of the Ala Wai small boat harbor in its entirety, including fast lands and submerged lands within its boundaries, by public auction, request for proposals, or direct negotiation for private development, management, and operation.

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

"§200- State boating facility management lease program; established. (a) There is established within the department a state boating facility management lease program to be implemented and administered by the division of boating and ocean recreation.

(b) The board may lease the management of the Ala Wai small boat harbor in its entirety, including fast lands and submerged lands within its boundaries, by public auction, request for proposals, or direct negotiation for private development, management, and operation; provided that any lease entered into pursuant to this section shall expire on or before June 30, 2046.



1 (c) The state boating facility management lease program
2 shall be exempt from the notice and legislative authorization
3 requirements of sections 171-53(c) and 171-60 (a).

4 (d) No later than twenty days prior to the convening of
5 each regular session, the department shall submit to the
6 legislature a report of its findings and recommendations,
7 including any proposed legislation, and advise whether the state
8 boating facility management lease program should be continued,
9 modified, or terminated.

10 (e) As used in this section, "state boating facility" has
11 the same meaning as in section 200-2.5."

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

14 "(a) Notwithstanding any law to the contrary, the board
15 may lease fast lands and submerged lands within ~~[an]~~ any
16 existing state boating facility by public auction, a request for
17 proposals, or by direct negotiation pursuant to section 171-59
18 and chapter 190D, for private development, management, and
19 operation~~[, provided that any lease of fast lands or submerged~~
20 ~~lands pursuant to a request for proposals shall be subject to~~



1 ~~section 200-2.6, regardless to which state boating facility the~~
2 ~~fast or submerged lands are attached].~~

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

7 SECTION 4. Section 200-2.6, Hawaii Revised Statutes, is
8 repealed.

9 ~~["**[§200-2.6] Ala Wai boat harbor; leases.** The fast lands~~
10 ~~and submerged lands of the Ala Wai boat harbor that may be~~
11 ~~leased include the following:~~

12 ~~(1) All fast lands and submerged lands described in the~~
13 ~~request for qualifications or request for proposals~~
14 ~~issued by the division of boating and ocean recreation~~
15 ~~of the department on November 25, 2008;~~

16 ~~(2) The fast land described as a portion of tax map key:~~
17 ~~(1) 2-3-37-12, composed of approximately 112,580~~
18 ~~square feet, presently used for harbor offices and~~
19 ~~permitted vehicular parking; and~~

20 ~~(3) The fast land described as a portion of tax map key:~~
21 ~~(1) 2-3-37-12, which is a triangular area located~~



1 ~~Diamond Head of Mole B, presently used for permitted~~
2 ~~vehicular parking."]~~

3 SECTION 5. All employees of the division of boating and
4 ocean recreation of the department of land and natural resources
5 who occupy civil service positions and whose functions are
6 replaced as a result of this Act shall retain their civil
7 service status, whether permanent or temporary. Employees shall
8 be reassigned within the division of boating and ocean
9 recreation without loss of salary, seniority (except as
10 prescribed by applicable collective bargaining agreements),
11 retention points, prior service credit, any vacation and sick
12 leave credits previously earned, and other rights, benefits, and
13 privileges, in accordance with state personnel laws; provided
14 that subsequent changes in status may be made pursuant to
15 applicable civil service and compensation laws.

16 SECTION 6. This Act does not affect rights and duties that
17 matured, penalties that were incurred, and proceedings that were
18 begun before its effective date.

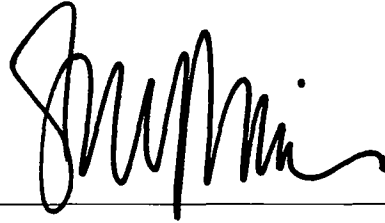
19 SECTION 7. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



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

4

INTRODUCED BY:



S.B. NO. 2367

Report Title:

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

Description:

Establishes the State Boating Facility Management Lease Program within the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources. Authorizes the Board of Land and Natural Resources to lease management of the entire Ala Wai Small Boat Harbor. Repeals provisions relating to the leasing of certain fast and submerged lands of Ala Wai Boat Harbor. Requires annual reports to the Legislature.

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

