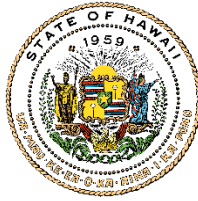


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
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

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

LATE

Testimony of
RYAN K.P. KANAKA'OLE
Acting Chairperson

Before the Senate Committee on
WATER, LAND, CULTURE AND THE ARTS

Monday, March 23, 2026
1:05 PM
State Capitol, Conference Room 224

In consideration of
HOUSE BILL 649, HOUSE DRAFT 1
RELATING TO SMALL BOAT HARBORS

House Bill 649, House Draft 1 proposes to create the small boat harbor (SBH) commercial vessel special fund; increase SBH fees for commercial ocean operators; allocate a portion of commercial fee collections to the SBH commercial vessel special fund; require that revenue in the SBH commercial vessel special fund be used exclusively for improvements that primarily benefit commercial vessels utilizing state SBHs; and authorize the issuance of general obligation bonds with debt service to be paid from the special funds for repairs of various SBHs. **The Department of Land and Natural Resources (Department) acknowledges the intent of this measure, offers comments and recommends amendments.**

Managing the SBH program is one of the thirteen statutory mandates contained in Section 200-3, Hawaii Revised Statutes, under the jurisdiction of the Department's Division of Boating and Ocean Recreation (DOBOR). DOBOR is currently self-funded via the Boating Special Fund (BSF) but cannot address all infrastructure needs with available funds, needing funding support for infrastructure projects through the Capital Improvement Project (CIP) budget.

The Department recognizes this measure's innovative approach to addressing the many deferred repair and maintenance projects at state SBHs and boating facilities. However, the Department notes that all slips in state SBHs are "recreational" due to how DOBOR's administrative rules are structured regarding moorings and slips. DOBOR does not issue "commercial" mooring permits. Instead, when a slip holder wishes to operate commercially, a commercial use permit (CUP) is issued as a counterpart to an existing

recreational mooring permit, provided that a CUP is available and the permittee is in compliance with all laws and rules.

If fees are allocated according to this measure (40% of revenue generated from commercial vessels allocated to the SBH commercial vessel special fund), there would be a substantial impact to DOBOR's overall operations because a large portion of BSF revenues are currently derived from commercial fee collections.

There is a total of 2,000 slips across all sixteen SBHs in the State. As of this testimony, approximately 300 of these 2,000 slips (roughly 15%) are used for commercial purposes; thus, most of the slips in the SBH inventory are being used for non-commercial purposes only. Further, the Department does not separate commercial permittees from non-commercial permittees due to SBHs accommodating vessels of varying sizes, which means that both commercial and non-commercial permittees are intertwined throughout all SBHs. Therefore, it will be practically impossible to separate out improvements that will exclusively benefit commercial users, as proposed by this measure, without substantial changes to the physical layout and organization of SBHs.

Regarding the proposal to authorize issuance of general obligation (GO) bonds with debt service to be paid from special funds (MOF D), the Department prefers that any such funding be appropriated as MOF C. Requiring debt service to be paid by special funds will decrease available special fund revenues and hinder DOBOR's ability to quickly respond to sudden and catastrophic events, such as grounded vessel cleanups and SBH damage from weather events.

The Department notes that due to increased costs of supplies and labor, the lowest bids for DOBOR's infrastructure contracts, and even grounded vessel cleanup contracts, have been higher than estimated and budgeted amounts, forcing DOBOR to supplant the budgeted amounts with funds from the BSF. DOBOR previously received MOF D funding several years ago and saw a dramatic decrease in available funds during the 17-year period that it took to fully pay off the debt service. If there are unforeseen events that cause a drop in commercial fee collections, such as the COVID-19 pandemic and the Lahaina wildfires, DOBOR may be unable to make debt service payments while simultaneously being unable to address infrastructure needs.

The Department appreciates that the Legislature is exploring innovative approaches to help DOBOR with funding limitations. In the 2024 legislative session, the Department introduced House Bill 2477 as an administration measure, which proposed increased commercial fees and also provided a method for issuing CUPs where a limit was implemented. Therefore, the Department recommends replacing the contents of this measure with House Bill 2477 (2024), or alternatively amending this measure as follows:

- Removing the establishment of the new small boat harbor commercial vessel special fund;
- Removing the issuance of GO bonds with debt service paid from special funds and funding any CIP as MOF C;

- Keeping the commercial percentage fee increase on page 3, line 18 of the original measure; and
- Amending the language on page 3, lines 14 through 17 to read as follows:

(5) If [~~a vessel is used for commercial purposes from the vessel's permitted mooring,~~] the permittee is carrying passengers for hire, the permittee shall pay, in lieu of the moorage fee required by paragraph (1), a monthly fee that shall be the greater of:

Mahalo for the opportunity to testify on this measure.



THE SENATE
KA 'AHA KENEKOA

THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2026

COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS

Senator Chris Lee, Chair
Senator Lorraine R. Inouye, Vice Chair

NOTICE OF HEARING

DATE: March 23, 2026
TIME: 1:05 PM
PLACE: Conference Room 224 & Videoconference
State Capitol
415 South Beretania Street

**TESTIMONY OF THE OCEAN TOURISM COALITION IN STRONG
OPPOSITION OF HB649 HD1.**

Dear Chair Lee, Vice Chair Inouye, and Members of the Committee on Water, Land, Culture and the Arts:

My name is Denver Coon, and I serve as President of the Ocean Tourism Coalition, representing hundreds of locally owned ocean tourism businesses across Hawai'i. We stand in strong opposition to H.B. 649, H.D.1 because it increases costs on struggling local businesses without solving the underlying problems it is intended to address.

This bill increases the commercial vessel fee above the current three percent of gross revenue and directs those funds into a special fund for harbor improvements. While investment in harbor infrastructure is important, this approach is fundamentally flawed. The fee is already tied to gross revenue, which means when businesses succeed, the State already receives more. Increasing that percentage does not guarantee increased revenue to the State, it only increases the burden on businesses regardless of whether they are profitable.

Ocean tourism operators work on thin, often single-digit margins, and this fee is taken from gross revenue, not profit. Every additional percentage point comes directly off the top, reducing the ability to pay employees, maintain vessels, and reinvest in operations. At some point, the result is not higher state revenue, it is fewer trips, fewer employees, and fewer businesses, and when that happens, the State collects less, not more.

These businesses are already among the most heavily taxed and fee-burdened in the State, paying the General Excise Tax and county surcharge, the existing three percent DLNR fee, the Ocean Stewardship Fee, and a wide range of operational costs including harbor fees, insurance, utilities, and compliance. This bill adds yet another layer on top of an already strained cost structure, disproportionately impacting small, locally owned operators.

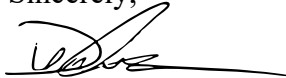
Just as importantly, this bill does not address the real issue. There has been no clear showing that revenue is the limiting factor for harbor improvements. From the industry's perspective, the bottleneck is staffing and the State's procurement process. DOBOR lacks sufficient engineering capacity to design and advance projects, and even when funding is available, projects are often delayed by procurement requirements. Without addressing these constraints, additional funding will not result in faster repairs or improvements.

Finally, the timing could not be worse. Many Maui-based operators, particularly those from Lahaina, are still not operating, and the industry has not recovered from the August 2023 fires. Imposing additional costs now will slow recovery, suppress hiring, and increase the likelihood that these businesses never return.

For these reasons, we respectfully urge the Committee to defer H.B. 649, H.D.1.

Mahalo for the opportunity to testify.

Sincerely,



Denver S. Coon
President, Ocean Tourism Coalition

HB-649-HD-1

Submitted on: 3/21/2026 8:00:55 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
brennan henders	Testifying for Maui Classic CHarters	Oppose	Written Testimony Only

Comments:

We oppose this bill



Your Sailing and Snorkeling Adventure
Begins Here!

Dear Chair, Vice Chair, and Members of the Committee,

I respectfully submit this testimony in strong opposition to the proposed bill that would increase the DLNR fee from 3% of gross revenues for local boat tour operators.

Local ocean-based businesses are already operating under significant financial strain. Boat tour companies in particular face high operating costs, including fuel, maintenance, insurance, permits and existing taxes and regulatory compliance requirements. These businesses are not high-margin enterprises; rather, they operate on thin and often unpredictable margins due to weather, seasonal fluctuations, and visitor demand.

An increase in fees based on gross revenue-rather than net profit-places an undue burden on these operators. Unlike profit-based assessments, a gross revenue fee does not account for rising expenses or economic downturns, making it especially difficult for small and local owned businesses to remain viable. This proposal risks forcing operators to either raise prices for customers or reduce services, both of which could negatively impact Hawaii's tourism experience and local employment.

It is also important to address the underlying justification for this bill. The state need for increased funding appears to stem from staffing shortages and procurement delays within the DOBOR. However, these challenges are administrative in nature and not indicative of lack of funding. Increasing fees on already burdened businesses does not resolve inefficiencies in hiring or procurement processes.

Before imposing additional financial obligations on local operators, the State should instead focus on improving internal management, streamlining procurement systems, and addressing workforce bottlenecks within DOBOR. Penalizing small businesses for systemic administrative issues is neither equitable nor effective.

In conclusion, I urge the Committee to reject this bill. Supporting local businesses, especially those that contribute to Hawaii's economy and cultural connection to ocean, should remain priority. Additional fees based on gross revenue will only exacerbate existing challenges without addressing the root causes of the department's operational issues.

Thank you for the opportunity to provide testimony.

Respectfully submitted,
Richard & Holly Kersten, President and VP
Sea Paradise Scuba Inc.



808.895.0003



rich@seaparadise.com
www.seaparadise.com



PO Box 390159
Keauhou, HI 96739

HB-649-HD-1

Submitted on: 3/21/2026 11:13:20 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Margaret Sutrov	Testifying for Maui Pacific Divers	Oppose	Written Testimony Only

Comments:

Aloha Esteemed Legislators,

I am writing in opposition of bill HB649 HD1. My partner and I run Maui Pacific Divers in Ma'alaea Harbor. We are a small family business that structures our business so that we can support conservation work on Maui's waters in between offering private charter experiences.

I was born and raised on Maui, and now live in Waihe'e. My partner, Mikal Torgerson, spent many years on the commercial permit waitlist, and he designed and built our 40ft boat himself. We launched in April 2023 and have been working tirelessly to grow our small family business through the challenges Maui has faced. We are building out regenerative tourism experiences, and we offer boat and scuba support to conservation groups. About a quarter of our charters are conservation efforts. With our partners we have removed over 5,300 pounds of lead, line, and hooks from the ocean, mostly from Ke'one'o'io (La Perouse) in South Maui.

It is true that Ma'alaea Harbor is in need of dredging, as well as countless other repairs. There are decades worth of deferred maintenance needs. Additional funding alone is not going to fix the underlying challenges.

We operate on such a thin margin, stretching our resources to mālama the kai, as well as keep a roof over our heads. Raising the mooring fees on commercial operators will make it harder for us to stay in business, yet alone for us to build a business that puts its resources towards conservation and models for regenerative tourism.

Please vote no on HB649 HD1.

Mahalo nui loa,

Maggie Sutrov
Maui Pacific Divers



[COMMITTEE ON WATER AND LAND](#)

Senator Chris Lee, Chair

Senator Lorraine R. Inouye, Vice Chair

Subject: Testimony in **Strong OPPOSITION of HB649 HD1 – RELATING TO SMALL BOAT HARBORS**

Aloha Chair Sen Chris Lee and Vice, Chair Sen Inouye, and Members of the Committee,

My name is Mendy Dant, and I am President of Fair Wind Cruises and Kona Sunrise Charters, family-owned snorkel businesses in Kona since 1971. I am writing in strong opposition to **HB649 HD1**.

This is not the time to place additional financial burdens on Hawai'i's ocean tourism businesses. Tourism is down, while the cost of supplies, fuel, wages, insurance, and other operating expenses continues to rise. The last thing the government should do is increase fees for small businesses already operating on thin margins.

The State has developed a troubling habit of raising fees without first taking a critical look at how it is spending the substantial revenues it already receives. DLNR is seeking to increase fees on commercial ocean tourism businesses that already pay **3% of gross income**, which amounts to hundreds of thousands of dollars annually, while at the same time opening permits to aquarium fish collectors to take fish that are vital to our tourism industry and charging only **\$700 total for annual permits**. That imbalance makes no economic sense.

Our businesses take our responsibility as stewards of Hawai'i's marine environment seriously. We understand the importance of protecting the natural resources that support our industry and our communities. But with profit margins already strained, any further increase in fees could jeopardize the financial viability of many small businesses across the state.

Taxes and fees are taken off the top, before businesses even begin to cover rent, payroll, medical insurance, cost of goods sold, vessel insurance, maintenance, and other basic expenses. Additional fees could lead to layoffs, reduced services, and even business closures. The consequences would ripple through local communities and economies.

Hawai'i relies heavily on tourism and small businesses as economic drivers. These businesses employ local residents, support local suppliers, and contribute directly to the vitality of our communities. Increasing fees on these operators would not only hurt business owners but also their employees, families, and the broader local economy.

Before imposing new fees, DLNR should be held accountable for managing its existing resources more effectively. The department should undergo a thorough audit, identify waste, and implement practical, common-sense reforms. It should also investigate businesses that are not paying the required 3%, enforce existing rules fairly, and revoke permits for those who

violate laws and regulations. That would create fairness, improve management, and better protect our natural resources.

Small businesses should not be forced to carry the burden of DLNR's inefficiencies. The State should focus first on accountability, enforcement, and responsible financial management within the department.

For these reasons, I respectfully urge you to **vote NO on HB649 HD1**.

Thank you for the opportunity to testify on this measure.

Sincerely,
Mendy Dant
President
Fair Wind Cruises
Kona Sunrise Charters
Keauhou Bay, Kona, Hawaii

HB-649-HD-1

Submitted on: 3/21/2026 2:56:06 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Bill Caldwell	Testifying for Hone Heke Corporation dba Expeditions	Oppose	Written Testimony Only

Comments:

As a small business in Lahaina, and the lifeline to the Island of Lanai, Expeditions opposes this bill. We are still trying to come back from the financial losses caused by the Lahaina Wildfires. This increase would be a huge burden for the Ferry. We strongly Oppose this bill.

We appreciate your time in considering our testimony.

Bill Caldwell



March 20, 2026

Testimony Strongly Opposing HB649 HD1

I, Peter Wood strongly oppose HB649 HD1. Any increase to the DLNR 3% harbor fee would be intolerable for the commercial charter boat fleet already staining with the costs of operating vessels in Hawaii.

I have been operating charter boats from West Maui since 1974, during all these years of captaining and owning various charter boat vessels I have operated from the beaches at Kapalua 1974-1994 – Kaanapali 1994 – 2026. On rare occasions I have utilized Lahaina and Maalaea Harbor but for the most part I have designed and built catamarans with the parameters that there was no harbor facility for my vessels. My charter boats are built to beach load with expensive machinery such as tenders on trailers, generators, water makers, dive compressors, GPS electronics, to compensate for the lack of these necessities that a harbor boat would have daily access to. I have been on the wait list for Lahaina Harbor and Mala Wharf since 1974 and renew every year with no sign of ever getting a commercial permit at a harbor in the state of Hawaii. I pay \$600 monthly to store my tender on private property adjacent to Mala Wharf, the tender cost \$60K and is strictly used to access our charter catamarans moored offshore at Mala Wharf. Every quarter we have a professional subcontractor inspecting our moorings (\$12,000 annually). On Kona storms and hurricane threats we are without safe harbor and are forced to risk our staffs lives in order to keep the boats from going aground, at 74 years of age now this is becoming harder for me to physically do, yet year after year I am onboard to keep my vessels safe. There is 5 boats that went aground in this current storm, all moored offshore due to lack of space in the harbors. When if ever can I expect to see any changes?

I have diligently paid the 3% harbor fee for decades, despite not using the Harbors on a regular basis, this adds up to hundreds of thousands of dollars over the years. I have seen little to no improvement to the harbor facilities since 1974. In fact it is embarrassing on the few times I have requested a special charter permit for handicapped guests this year at both Lahaina and Maalaea Harbors to see how derelict and ratty the harbors looked. Where is the 3% harbor fee the commercial

vessels are paying going? Obviously not to improving our current facilities or building new harbors. The commercial boating industry has generated millions of dollars of revenue for the State of Hawaii, yet our facilities are below standards in comparison to 4th world countries.

I humbly ask the State of Hawaii to consider not increasing this tax, but instead to work diligently towards improving the boating facilities and supporting the commercial marine operators who are the backbone of the tourist economy with the funds that we have already paid and continue to pay.

Thank you for taking the time to read my testimony and please don't let my words fall on deaf ears.

Mahalo, thank you for your time, consideration, and opportunity to testify.

**Captain Peter Wood 808-870-3672
Sailing Maui Inc.**

Activities & Attractions Association of Hawaii, Inc

501(c)6 Serving Hawaii's In-Destination Experiences Since 1989

REVENUE SOURCE	Amount
Harbors	882
Mooring Fees	189,359.45
Commercial Percentage Rent	812,753.28
Commercial Permits	377,825.43
Parking Fees	21,664.70
Electrical Charges	2,008.85
ORMA	
Other Fees	178,198.46
Misc. Harbor Revenue	13,587.18
	1,595,397.35
All Other	
Mooring Fees - Non Harbor	
Commercial Percentage Rent - Ramp	
Commercial Permits - Ramp	
Liquid Fuel Tax	
Rental of Land & Wharf	126,291.36
Parking Fees	
Ramp Permit Fees	
Vessel Registration	
Cruise Ship Revenue	9,766.80
Investment Pool Income	
ORMA	
Other Fees	
Misc. Non Harbor	
	136,058.16
Total Revenue	1,731,455.51
	Lahaina
EXPENSES	Harbor
	882
Payroll	385,502.36
Repair & Maintenance	
Repairs & Maintenance Expense	257,353.22
Repairs & Maintenance Supplies	9,626.34
Total R & M	266,979.56
Operating Supplies	12,222.24
Utilities	
Electricity	922.56
Gas	
Water	28,069.11
Sewer	
Telephone	10,256.48
Other Utilities	
Total Utilities	39,248.15
Rental of Property & Equipment	7,088.61
GOR Bond	13,406.18
Budget & Finance Assessment	14,587.77
Div. of Conservation & Resource Enforcement	
Work Comp. & Unemployment Benefits Pmts	262.13
Personal Serv-Othr State Dept.	8,927.59
Services On A Fee Basis	62,721.10
Other Expense	
Capital Outlay	1,256.88
Travel Expenses	3,340.44
Vessel Removal	7,674.00
Other Expenses	7,844.73
Total Other Expenses	20,116.05
Total Expenditures	831,061.74
Net Income (Loss)	900,393.77

COMMITTEE ON WATER AND LAND

DATE: Friday, March 23, 2026

TIME: 1:05 PM

Strong Opposition to HB649 Due to an Unspecified Increase in Fees

Aloha Chair Lee and Vice Chair Inouye and committee members,

My name is Antoinette Davis, and I have had the privilege of serving as Executive Director of the Activities and Attractions Association of Hawaii (A3H), a nonprofit 501(c)(6) trade organization, since 1997.

A3H respectfully opposes HB649 HD1 because the measure does not specify the percentage of gross revenue attributable to a vessel's commercial activity. Without that clarity, the bill lacks the precision necessary to ensure fair, transparent, and effective implementation. Any increase would be untimely with the current economy.

The image to the left reflects Lahaina Harbor's 2022 profit and loss statement. It shows substantial revenue from commercial fees, includes a \$10,000 telephone expense, and reports an overall profit of approximately \$900,000. This financial performance demonstrates the significant revenue-generating potential of commercial operations in Hawaii's small-boat harbors.

A3H supports the establishment of a Small Boat Harbor Commercial Vessel Special Fund (SBHCVSF). We believe that all revenue generated from commercial activity at Hawaii's small boat harbors should be retained and reinvested into those facilities for operations, maintenance, and capital improvement projects.

Activities & Attractions Association of Hawaii, Inc

501(c)6 Serving Hawaii's In-Destination Experiences Since 1989

While these harbors are shared by both commercial operators and recreational users, the financial data indicate that commercial activity is a key driver of harbor sustainability. Commercial and recreational use should be balanced, with each supporting the facility's long-term viability. Where appropriate, commercial revenues should help offset the costs associated with maintaining shared public infrastructure.

If a specific facility is operating at a deficit, revenues associated with that facility should be adjusted as necessary to support its continued operation and maintenance. If a facility is unable to remain financially sustainable, the State should evaluate whether continued operation is justified.

There is also a continuing lack of harbor-specific financial data. Since the Maui fires, I have repeatedly requested a more recent profit-and-loss statement for Lahaina Harbor. To date, I have received **only** the 2022 P&L from Juergen Gross, Administrative Officer for the State of Hawaii (see embedded image). That statement shows Lahaina Harbor generated approximately \$900,000 in profit in 2022, **representing a 52% return on revenue**. Revenue increased further in 2023 prior to the fire. Questions regarding the seemingly unusually high \$10,000 telephone expense, \$854.70 per month, remain unaddressed. Despite this level of financial performance, Lahaina Harbor is not fully open.

For these reasons, the financial structure of Hawaii's small boat harbors should be reformed to ensure clarity, accountability, and meaningful auditing. Reform should prioritize transparent, facility-specific financial reporting and the proper reinvestment of harbor-generated revenue, rather than increasing costs for tourism-dependent businesses that already shoulder a substantial share of the expense of supporting State facilities used by all users.

Mahalo, thank you for your time, consideration, and opportunity to testify.

Toni

Antoinette "Toni Marie" Davis
Executive Director
Activities & Attractions Association of Hawaii, Inc.
Statewide 501 (c) (6) not-for-profit Trade Association
PO Box 598, Makawao, Hawaii 96768
(808)871-7947

HB-649-HD-1

Submitted on: 3/21/2026 5:39:40 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Haviland	Testifying for Outfitters Kauai Ltd	Oppose	Written Testimony Only

Comments:

Aloha Chairperson NSBH Members,

We oppose. In this tough business environment most small businesses will not be able to handle fee increases.

Respectfully,

Rick Haviland

HB-649-HD-1

Submitted on: 3/21/2026 6:40:43 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kouri Killmeier	Testifying for Capt.Andys Sailing	Oppose	Written Testimony Only

Comments:

To Whom It May Concern,

I respectfully submit my testimony in opposition to the proposed Bill HB649. Our industry functions with extremely narrow profit margins and is unable to accommodate such substantial additional costs. This is the principal reason for my opposition to this bill.

Sincerely,

Kouri Killmeier

Director Of Culinary Operations

HB-649-HD-1

Submitted on: 3/22/2026 7:47:52 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Zachary LaPrade	Testifying for Calypso Charters	Oppose	Remotely Via Zoom

Comments:

Dear Chair, Vice Chair, and Members of the Committee,

My name is Zachary LaPrade, and I represent a locally owned, family-run ocean tourism business employing over 100 people here in Hawai‘i. I also serve as a director of the Ocean Tourism Coalition, representing hundreds of similar locally owned businesses statewide.

We respectfully oppose HB649.

- This is the wrong time.
 - Maui operators are down over 40% from pre-fire levels
 - In just the past few weeks, many businesses have generated little to no revenue due to weather
 - This is a fragile, weather-dependent industry operating on single-digit margins
- We already pay significant fees.
 - 3% DLNR gross revenue fee
 - Ocean Stewardship Fee (\$1 per passenger)
 - GET + county surcharge
 - Harbor fees, permits, and other regulatory costs
- We also directly fund harbor operations ourselves.
 - Operators routinely pay out of pocket to maintain slips, vessels, and infrastructure
 - These are real, ongoing costs not covered by the State, yet essential to keeping harbors functional and safe
- We are already funding the system.
 - Over \$5 million generated in 2025 through the Ocean Stewardship Fee—taken off the top and directed to DAR
 - This industry generates over \$363 million annually and supports thousands of local jobs
- This bill ignores a basic economic reality — a “Rising Tide” model.
 - The current fee is already percentage-based
 - When operators succeed, the State succeeds
 - Increasing the fee from 3% to 5% does not guarantee more revenue—it risks reducing it if businesses fail
- We cannot simply pass these costs on.
 - Hawai‘i is already an expensive destination
 - Higher prices reduce competitiveness and directly impact local workers

- Our environmental footprint is extremely limited.
 - Commercial tour boat activity utilizes less than 1% of available ocean/reef area in Hawai‘i
 - These are controlled, guided activities—not unregulated access
- Accountability should come before new fees.
 - The Ocean Stewardship Fund was created to address these needs
 - There is no clear framework showing how additional fees will directly benefit operators or harbors

Bottom line:

We are not just paying fees—we are actively maintaining the system out of pocket, while being asked to pay more into it. This industry already contributes significant revenue, jobs, and stewardship funding. Increasing fees now will not strengthen the system—it will strain it.

We respectfully urge you to reject HB649.

Mahalo for your time and consideration.

Zachary LaPrade

HB-649-HD-1

Submitted on: 3/22/2026 7:50:01 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Christopher Kasper	Testifying for Idle Wild Charters, Inc.	Oppose	Written Testimony Only

Comments:

I am here in opposition to HB649.

- **Timing matters—and this is the worst possible time.**
 - Maui operators are still down more than **40% from pre-fire levels**
 - Over the past several weeks, weather conditions have forced widespread cancellations, leaving many businesses with **little to no revenue**
 - This is a volatile, weather-dependent industry with **very thin margins**
- **Operators are already heavily burdened.**
 - We pay a **3% gross revenue fee to DLNR**
 - A **\$1 per passenger Ocean Stewardship Fee**
 - General Excise Tax and county surcharge
 - Harbor fees, permits, insurance, and compliance costs
- **We invest directly into the system every day.**
 - Beyond fees, operators spend **their own money maintaining slips, vessels, and infrastructure**
 - These are essential costs to keep operations safe and functional, and they are not fully covered by the State
- **The industry is already a major funding source.**
 - In 2025 alone, more than **\$5 million was generated through the Ocean Stewardship Fee program**—taken directly from operators and directed to DAR
 - The tour boat industry produces over **\$363 million in annual revenue and supports thousands of jobs statewide**
- **Raising the percentage does not guarantee more revenue.**
 - The current system already scales with success—when businesses grow, so do State revenues
 - Increasing the rate risks shrinking the base by making it harder for businesses to survive
- **These costs cannot simply be passed on.**
 - Hawai‘i is already a high-cost destination
 - Further price increases reduce demand and ultimately impact local jobs
- **Our actual footprint is small and managed.**
 - Commercial tour operations use **less than 1% of available ocean and reef areas in Hawai‘i**
 - These are structured, guided activities with built-in oversight
- **Before increasing fees, existing funds should be accounted for.**

- The Ocean Stewardship Fund was established to address many of these needs
- There is no clear demonstration that current funds are being fully or effectively utilized

In simple terms:

Operators are already paying into the system, supporting it operationally, and contributing to conservation efforts. Increasing fees at this moment adds pressure without solving the underlying issues.

For these reasons, I respectfully ask that you **oppose HB649**.

Mahalo for your time and consideration.

HB-649-HD-1

Submitted on: 3/22/2026

Time: 09:15 AM

Testimony for WLA on 3/23/2026 at 1:05 PM

Subject: Testimony in Strong Opposition to HB 649 HD1

Dear Chair and Members of the Committee,

My name is Jim Walsh, I am the General Manager for Atlantis Submarines ~ Maui. I am writing in **strong opposition to HB 649 HD1** for the following reasons.

First, the **increased fees proposed in this measure will further harm Hawaii's already struggling commercial boating businesses**. Many operators continue to face rising costs, reduced margins, and ongoing economic uncertainty. Adding new or higher fees at this time will only make it more difficult for these businesses to survive, retain employees, and serve both residents and visitors.

Second, I am particularly concerned that **the bill does not clearly specify the amount of the proposed fee increases**. It is unreasonable to expect businesses to support or plan for a cost increase when the financial impact is undefined. Transparency and predictability are essential for responsible business operations, and this measure falls short in providing both.

Third, **the economic realities following the Lahaina wildfires cannot be ignored**. These events have created a significant revenue shortfall for all Lahaina businesses, especially within ocean-related industries on Maui. During a time of recovery, the Legislature should be focused on policies that help businesses rebuild, grow, and become more productive—not measures that effectively increase the financial burden on those already impacted.

The long-term success of Hawaii's economy depends on the health of its local businesses. When businesses are able to succeed financially, the State benefits through increased economic activity, employment, and tax revenue. Policies that strain businesses risk undermining this relationship.

For these reasons, I respectfully urge you to **VOTE NO on HB 649 HD1**.

Thank you for the opportunity to provide testimony.

Sincerely,

Jim Walsh

Atlantis Submarines ~ Maui

HB-649-HD-1

Submitted on: 3/22/2026 9:33:57 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Toni Colombo	Testifying for Hawaii Ocean Rafting	Oppose	Written Testimony Only

Comments:

As a Lahaina resident and employee of Hawaii Ocean Rafting I oppose HB649 HD1.

I handle the accounting of this small business and the margins we have are so small because we are locally and Hawaiian owned and live and operate in this economy.

Adding additional fee takes away funding use to help our small business rebuilding post wildfire after losing our boats, home and place of operation- and now with the loss of weeks of business due to the Kona storms and thousands of travelers canceling their Maui vacations we are already in a financially taxing place.

We already pay 3%, OSF, GET and Fed taxes, and how is that money helping us on Maui?

The best way to keep money circulating locally is allowing us to use our income to rebuild and pay our team a livable wage, not increase a tax that we have yet to see the benefit of.

What is the 3% doing for Maui? Where is it currently going? Can this be accounted for and productive?

Please find a way to use the 3% you are already taxing us and the OSUF as well, operating in a way that we as small businesses are working to, with accountability and efficiency.

HB-649-HD-1

Submitted on: 3/22/2026 12:21:09 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
George Parsons III	Testifying for Maita`i Catamaran	Oppose	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

On behalf of Maita`i Catamaran, we respectfully submit this testimony in strong opposition to HB649. This bill proposes an increase in fees, a change that poses a significant threat to small businesses like ours, where operators are already struggling to stay afloat. Additional fee increases would place a substantial burden on businesses operating with razor-thin margins.

The current fee structure already scales with a company's success — the more a business earns, the more revenue the state receives. Further increases, however, risk undermining the viability of operations that contribute to the local economy, provide jobs, and support Hawai'i's tourism industry.

We urge lawmakers to reconsider this measure, as it would have serious negative impacts on local businesses and the broader economy. The focus should be on supporting operators, not adding to their financial challenges.

Thank you for your consideration.

Sincerely,

George Parsons III

President

Maita`i Catamaran

HB-649-HD-1

Submitted on: 3/22/2026 12:57:02 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Ryan Randazzo	Testifying for Sea Sport Cruises	Oppose	Written Testimony Only

Comments:

To Whom It May Concern,

Sea Sport Cruises Inc. strongly opposes HB649 HD1 and does not believe it represents a responsible course of action for businesses already impacted across the state. While we understand and support the intent to fund resource management, this measure would impose additional financial strain on an industry that is already contributing significantly while struggling to remain viable under current conditions.

Commercial ocean operators in Hawai‘i are not underpaying into the system—they are among its primary funding sources. Under the current framework, operators pay a 3% gross revenue fee to the Department of Land and Natural Resources, a \$1 per passenger Ocean Stewardship Fee, General Excise Tax and county surcharge, in addition to harbor fees, permits, insurance, and extensive compliance costs. In 2025 alone, the Ocean Stewardship Fee program generated more than \$5 million, directly supporting the Division of Aquatic Resources. This structure already produces meaningful and scalable revenue for the State.

That scalability is intentional and effective. When businesses succeed, State revenues increase alongside them—this is where the focus should remain. Raising the percentage does not guarantee greater returns; instead, it risks the opposite. Increasing operating costs may shrink the very base the State relies on, making it more difficult for businesses to survive and ultimately reducing total revenue over time.

At present, the industry is in a fragile and highly unpredictable position. Our organization continues to operate at more than 45% below pre-fire revenue levels. Compounding this, recent weather conditions have caused widespread cancellations, leaving businesses with little to no income for extended periods. This is a volatile, weather-dependent industry that operates on narrow margins even under normal circumstances.

Operators have already been forced to make difficult and consequential decisions simply to remain operational. Many businesses, including ours, have reduced staff and sold revenue-generating assets to stay afloat. These are not temporary adjustments—they are significant contractions that affect livelihoods, reduce capacity, and threaten long-term sustainability. Imposing additional financial burdens now will only accelerate these losses and cause lasting damage to both individual businesses and the broader industry.

Unlike other sectors, these costs cannot simply be passed on to customers. Hawai‘i is already a high-cost destination, and further price increases will reduce demand, impacting local jobs, small businesses, and the overall visitor economy.

In addition to required fees, operators invest substantial private resources into maintaining vessels, harbor slips, and critical infrastructure necessary for safe and responsible operations. These essential costs are not fully supported by the State, further increasing the financial burden on businesses.

It is also important to recognize the limited and well-managed footprint of this industry. Commercial ocean activities occupy less than 1% of Hawai‘i’s available ocean and reef areas and are conducted through structured, permitted operations with built-in oversight and accountability.

Before any increase in fees is considered, there must be greater transparency and accountability regarding existing funds. The Ocean Stewardship Fund was established to address many of the needs cited in support of this measure, yet there has been no clear demonstration that these funds are being fully or effectively utilized.

We also want to emphasize that we strongly support the principles of regenerative tourism and are aligned with the State’s long-term vision of protecting and restoring Hawai‘i’s natural and cultural resources. Our organization actively invests in conservation, education, and responsible stewardship practices that extend beyond compliance. However, regenerative tourism must be implemented responsibly. Policies that undermine the financial viability of responsible operators risk weakening the very partners who are helping to achieve these goals. A balanced approach is critical—one that protects resources while sustaining a stable industry capable of continued investment in conservation and community.

For all of these reasons, we strongly urge you to oppose HB649 HD1. Increasing fees at this time places unnecessary pressure on an already strained industry, risks unintended economic consequences, and fails to recognize the substantial contributions operators are already making.

Sincerely,

Ryan Randazzo

Accounting & Finance Director

Sea Sport Cruises Inc.

HB-649-HD-1

Submitted on: 3/22/2026 2:11:13 PM

Testimony for WLA on 3/23/2026 1:05:00 PM



Submitted By	Organization	Testifier Position	Testify
Rebekah Kaufmann	Testifying for Kohala Divers	Oppose	Written Testimony Only

Comments:

My name is Rebekah, and I am the owner of Kohala Divers and Siren Sportfishing, local ocean tour and charter businesses serving Hawai'i Island. I am submitting this testimony in strong opposition to this bill because it would add costs to an industry that is already heavily burdened by taxes, fees, and regulations.

Local operators are already carrying a heavy load

Local boat tour companies operate under extensive state and federal requirements, and we pay significant costs to comply—permits, insurance, safety equipment, inspections, reporting, and ongoing training. On top of that, Hawai'i's cost of doing business is already among the highest in the nation. Every additional fee or tax increase compounds the pressure on small, locally owned operators.

Thin margins mean we cannot absorb new costs

Many people assume ocean tour businesses are highly profitable. The reality is that most of us operate on thin margins after payroll, maintenance, fuel, insurance, harbor fees, and compliance costs. When new costs are added, we have only two choices:

- Raise prices for residents and visitors
- Cut staff hours, reduce services, or delay maintenance and upgrades

None of those outcomes supports local jobs, visitor experience, or ocean safety.

The real issue is operational delay—not lack of funding

If the goal of this bill is to improve outcomes for boating and ocean recreation, the biggest bottleneck is not a lack of funding—it is the operational reality within DOBOR.

From the perspective of businesses trying to comply and operate responsibly, the most consistent challenges are:

- Staffing shortages that slow down processing and approvals

- Procurement delays that prevent timely repairs, improvements, and basic operations

Adding new fees does not fix those root problems. Without addressing staffing and procurement, additional revenue will not translate into faster service, better maintenance, or improved management.

More effective alternatives

If the Legislature wants to support safe, well-managed boating and ocean recreation, I urge you to focus on solutions that improve execution rather than increase costs on local operators, such as:

- Streamlining DOBOR procurement and contracting
- Improving hiring and retention so positions are filled and services are timely
- Setting clear performance timelines for permits, maintenance, and approvals

Conclusion

Please vote NO on this bill. Do not place additional financial burden on local boat tour companies that are already doing their best to comply, employ local residents, and provide safe, high-quality ocean experiences. Address the real issue—DOBOR staffing and procurement delays—so that the system works better for everyone.

Mahalo for the opportunity to testify.

Respectfully,

Rebekah Owner, Kohala Divers and Siren Sportfishing Kamuela, Hawai'i Island

LATE

HB-649-HD-1

Submitted on: 3/22/2026 3:02:07 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Bell	Testifying for Body Glove Cruises	Oppose	Written Testimony Only

Comments:

I stand in strong opposition to HB649 HD1.

While the intent to improve small boat harbors is understandable, this bill places an additional financial burden on commercial operators who are already paying significant moorage fees without receiving reliable, functional infrastructure in return.

In practice, commercial users are not benefiting from the system as it exists today. We routinely perform and fund our own basic maintenance—fender repairs, mooring upkeep, and even concrete work—just to keep operations safe and viable. In some cases, we are forced to run our own freshwater systems because existing infrastructure is nonfunctional.

Before any fee increases are considered, there must be accountability and delivery of the services we are already paying for. Raising costs without first ensuring functional facilities is inequitable and undermines trust between operators and the State.

This bill effectively asks responsible operators to pay more for a system that is currently failing them.

We urge you to reject HB649 HD1 or, at minimum, require demonstrable improvements and transparency before any fee increases are even proposed.

LATE

HB-649-HD-1

Submitted on: 3/22/2026 4:32:25 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Armstrong	Testifying for Splashers Ocean Adventures DBA Kona Snorkel Trips	Oppose	Written Testimony Only

Comments:

Chair and Members of the Committee:

I am opposing HB649 HD1, and I want to be direct about why: this is the wrong bill at the wrong time.

The timing is genuinely terrible.

Maui operators are still down more than 40% from where they were before the fires. On top of that, the past several weeks of bad weather have forced cancellations across the board, leaving a lot of businesses with almost nothing coming in. Ocean recreation is a weather-dependent business with very tight margins on a good day. Piling on new fees right now, before people have had a real chance to recover, will push some operators over the edge.

We are already paying a lot.

This industry carries a heavy load of fees and taxes:

- A 3% gross revenue fee to DLNR
- A \$1-per-passenger Ocean Stewardship Fee
- General Excise Tax plus the county surcharge
- Harbor fees, permits, insurance, and compliance costs

And beyond the fees, operators are spending their own money every day to maintain vessels, slips, and equipment that keep our operations safe. The State does not fully cover those costs. We do.

We already put millions into the system.

The Ocean Stewardship Fee program collected more than \$5 million from operators in 2025 alone, all of it directed to DAR. Before asking us to pay more, we think it is fair to ask: where is that money going, and is it being used well? That question has not been answered clearly, and it needs to be.

Raising the rate does not mean raising more money.

The current fee structure already grows with the industry. When we do well, the State does well. But if the rate goes up and operators start closing or cutting back, the State ends up collecting a higher percentage of a much smaller pie. That is not a good trade.

We cannot just charge customers more.

Hawaii is already an expensive place to visit. If our costs go up, we either eat the loss or raise our prices, and higher prices mean fewer customers. Fewer customers means fewer jobs for local people. This is not abstract; it is how the math works.

Our actual impact on the ocean is very small.

Commercial tour operations use less than 1% of available ocean and reef areas statewide. We are organized, permitted, guided, and accountable. We are not the problem.

We take our responsibility to the ocean seriously. We just ask that the Legislature take our situation seriously too.

What we are asking for is simple.

Before moving forward with any fee increase, we ask the Legislature to:

1. Show us a clear accounting of how the Ocean Stewardship Fund is currently being spent.
2. Recognize the real financial pressure operators are still under, especially on Maui.
3. Put this fee increase on hold until the industry is on more stable ground.

Please hold HB649 HD1.

Respectfully submitted, Splashers Ocean Adventures DBA Kona Snorkel Trips

LATE

HB-649-HD-1

Submitted on: 3/22/2026 5:20:49 PM
Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
George F. Garnes III	Testifying for Sailing Shipp LTD	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and committee members, thank you for the opportunity to submit my thoughts, concerns and testimony relating to HB649.

I am writing is Strong Opposition of HB649 regarding harbor fee increases. We just have started to stabilize from the Lahaina Fires although our revenue is down significantly from pre fire levels. With our current fees of 3% of gross revenues along with the Ocean Stewardship program, we are at the maximum amount that our small business can sustain and can not pass on anymore costs to our customers and we risk having to cease operations as our margins have become razor thin- less that 8%. Please consider my position of opposition of HB649.

Mahalo for your time.

George F. Garnes III

Vice President

Sailing Shipp

LATE

HB-649-HD-1

Submitted on: 3/22/2026 7:54:48 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Preston Heede	Testifying for Island Splash Tours	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Preston Heede, and I am the owner of Island Splash Tours, a locally operated snorkel and ocean tour company based here on O‘ahu.

I am writing in respectful opposition to the proposed increase in taxes on commercial ocean operators.

As a small business owner, I take great pride in providing safe, meaningful ocean experiences while also creating local jobs and contributing to Hawai‘i’s visitor industry. Like many operators, we are already navigating rising costs across fuel, insurance, maintenance, and staffing. An increase beyond the current 3% tax would place additional pressure on businesses like ours that are working hard to operate responsibly and sustainably.

Our company is built on more than just tourism. We are deeply committed to protecting and caring for the ocean. Every day, we educate our guests on how to respectfully interact with marine life, protect coral reefs, and better understand Hawai‘i’s unique ecosystem. These experiences often shape how visitors view and care for the ocean long after they leave.

We also work closely with the Ocean Alliance Project, a local nonprofit organization, supporting sea turtle identification efforts and providing direct, in-water education to our guests. This partnership allows researchers and educators to engage with the public in a meaningful way, turning tourism into an opportunity for real conservation impact.

Responsible, regulated operators are not the problem. We are part of the solution. We are on the water daily, guiding behavior, preventing harm, and helping people build a real respect for the ocean. When policies increase financial strain on businesses like ours, it can limit our ability to continue investing in these efforts and maintaining the level of care we strive to provide.

If financial pressures continue to increase, it will not only impact our business, but also the organizations we support. Losing operators like us would mean losing platforms that nonprofits such as Ocean Alliance Project rely on to conduct research, identify turtles, and educate thousands of visitors each year. That is a direct loss to conservation efforts here in Hawai'i.

We also play an important role in supporting the local economy, from employing crew members to working with local vendors and contributing to Hawai'i's broader tourism ecosystem. Additional taxation risks making it more difficult for small, locally owned operators to remain competitive and sustainable in the long term.

I fully support the protection and preservation of Hawai'i's ocean resources. However, I respectfully believe that increasing taxes on responsible operators is not the most effective path forward.

I encourage the committee to consider solutions that strengthen both environmental protection and the small businesses that are actively working to uphold those values every day.

Mahalo for your time and thoughtful consideration.

Preston Heede

Island Splash Tours

LATE

HB-649-HD-1

Submitted on: 3/22/2026 8:22:24 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Emma Carlton	Testifying for Island Splash Tours	Oppose	Written Testimony Only

Comments:

Aloha members of the committee,

My name is Emma Carlton. I work for Island Splash Tours here on O‘ahu, and I am also an underwater photographer focused on ocean conservation.

I am writing in opposition to the proposed increase in taxes on commercial ocean operators.

Through my work, I spend a majority of my time in the ocean, not just observing marine life, but observing people. I see how guests enter the water, how they interact with wildlife, and how quickly their behavior changes when they are given the right guidance.

At Island Splash Tours, a big part of what we do is simply showing people how to exist in the ocean without harming it. We guide guests in real time, whether that is reminding them to give turtles space, avoid touching coral, or just slow down and be aware of what is around them.

We also incorporate sea turtle ID work into our trips, which gives people a different perspective. Instead of just seeing wildlife, they begin to recognize individual animals and understand that these are part of a larger ecosystem that needs to be respected and protected.

From what I have seen, the biggest threat is not intentional harm, it is lack of awareness. Most people want to do the right thing, they just do not know how unless someone is there guiding them.

My concern with increasing taxes is that it could quietly reduce the number of these guided experiences. When that happens, more people end up in the water without the same level of awareness or support, and that is when mistakes happen.

This also impacts the people behind these experiences. Crews, captains, photographers, and conservation partners all play a role in educating the public and protecting marine life in real time. Added strain on this industry could lead to fewer jobs and people losing their livelihoods, while also removing a layer of active protection and guidance from the water.

As an underwater photographer, I have seen how a single positive experience can completely shift how someone views the ocean. People leave with a sense of respect and responsibility that

they did not have before. Those moments matter, and they often begin with guided experiences like the ones we provide.

I care deeply about protecting Hawai'i's ocean and its marine life, and preserving their long-term health. That is exactly why I believe changes like this need to be considered carefully. The presence of trained crews in the water every day plays a real role in protecting marine life, and reducing that presence could have unintended consequences for the ecosystems we are trying to preserve.

Mahalo for your time, and I hope my testimony helps provide a meaningful perspective.

Emma Carlton

Island Splash Tours

LATE

HB-649-HD-1

Submitted on: 3/23/2026 8:31:37 AM
Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Teri Leicher	Testifying for Jack's Diving Locker	Oppose	Written Testimony Only

Comments:

Aloha,

I am submitting testimony in opposition of HB649 HD1.

my name is Teri Leicher. I am CEO and an owner operator of Jack's Diving Locker for almost 45 years.. We have an amazing team of over 40 employees.

We are an award winning business Statewide, Nationaly and Internationally. My husband Jeff and I are being inducted into the International Scuba Diving Hall of Fame for the year 2026. We are are legitimate, hardworking business people ... as are most in the business of Ocean Recreation.

Ocean Recreation businesses currently pay 3% of our gross, plus harbor and permit fees, plus \$1.00 per head per passenger to DAR and DOBOR.

My business alone pays over \$75,000.00 in harbor fees annually. Plus we maintain our own moorings.

An increase of even 1% would cause extreme hardship as there is barely any profit as it is. Many Ocean recreation businesses are struggling with the current economic situation. We pay more for everything ... from the cost of employee taxes and benefits, to repairs to fuel. For example ... It can cost over \$1,000.00 to fuel a 40' vessel. Healthcare costs for our team has risen substantially this year. Costs of goods has skyrocketed with shipping and tariffs increases.

Before increasing the current 3% we currently pay, we need to look at how the currently received dollars are being spent and also who the current revenue is coming from. Are all businesses currently reporting their gross receipts correctly?

Ocean recreation brings millions of dollars of revenue to the State of Hawaii in the form of GE and other taxes for Flights, hotels, shopping, restaurants, activities etc. studies show that 98% of folks visiting our islands engage in some form of recreation having to do with the ocean. This includes Kama'aina visiting neighbor islands.

Please do not tax us out of being able to provide Ocean Recreation services.

Ocean Recreation businesses also provide thousands of jobs to residents as well as amazing opportunities for sustainable marine life education for Kama'aina and visitors alike.

again ... please oppose this increase and do not tax us out of business.

Mahalo,

 Teri Leicher



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON WATER, LAND, CULTURE, & THE ARTS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224
MONDAY, MARCH 23, 2026 AT 1:05 P.M.**

To The Honorable Senator Chris Lee, Chair
The Honorable Senator Lorraine R. Inouye, Vice Chair
Members of the Committee on Water, Land, Culture, and the Arts

OPPOSE HB649 HD1 RELATING TO SMALL BOAT HARBORS

The Maui Chamber of Commerce opposes HB649 HD1 that increases moorage fees for commercial vessels operating in state small boat harbors and establishes a new special fund for related improvements.

The Chamber notes that, particularly in Maui County, most commercial small boat operations are small, family-run businesses. Many of our commercial small boat operators in Maui County are still struggling. With the recent reopening of the Lahaina Harbor, boat operators are faced with decisions on how to best move forward with restarting their operations and some have yet to begin, given economic challenges.

While we understand the need for a special fund to support commercial vessel operations in small boat harbors, raising moorage fees beyond 3% for commercial vessels, even with the intention of reinvesting revenues into harbor improvements, places additional financial burdens on businesses already facing significant challenges.

We appreciate the opportunity to share our concerns on HB649 HD1 and ask that this bill be deferred. Instead, we recommend collaboration with industry stakeholders to ensure that policy changes support both infrastructure needs and the long-term vitality of Hawai'i's economy.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

LATE

HB-649-HD-1

Submitted on: 3/23/2026 10:12:52 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Cedric Lee	Testifying for Diamond Head Cruises	Oppose	Written Testimony Only

Comments:

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

My name is Cedric Lee, and I am a small business owner with Diamond Head Cruises. I am writing in strong opposition to this bill proposing an increase to the Department of Land and Natural Resources (DLNR) commercial vessel fee above the current 3% of gross revenue.

As a locally operated small business, we are already operating within one of the most highly regulated and heavily taxed marine environments in the country. Increasing this fee would place additional financial pressure on companies like ours that are working hard to remain viable while providing jobs, supporting tourism, and contributing to Hawai'i's economy.

Unlike many other industries, commercial ocean operators already carry substantial regulatory compliance costs, including insurance requirements, vessel maintenance standards, harbor fees, permitting processes, staffing certifications, and safety oversight. These obligations are necessary and important—but they are not inexpensive. Adding another layer of percentage-based revenue fees further reduces our ability to reinvest into safety improvements, employee wages, and vessel upkeep.

Because this fee is based on gross revenue rather than profit, it disproportionately impacts small operators. It does not account for rising fuel costs, labor shortages, inflation, or maintenance expenses that have significantly increased in recent years. For many small maritime businesses, margins are already tight.

Commercial ocean activity is a vital part of Hawai'i's visitor experience and local economy. Companies like ours create jobs, support working families, and help sustain related industries

across the islands. Additional financial burdens risk forcing operators to reduce services, increase prices for customers, or in some cases cease operations entirely.

We respectfully ask the Legislature to recognize the cumulative impact of existing regulations and fees already placed on this industry and avoid adding further strain at this time.

For these reasons, I strongly urge the Committee to defer this measure.

Mahalo for your time and consideration.

Sincerely,

Cedric Lee

Diamond Head Cruises

LATE

HB-649-HD-1

Submitted on: 3/23/2026 10:35:14 AM
Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Joshua Thomas	Testifying for Hawaii Snorkel& Dive LLC	Oppose	Written Testimony Only

Comments:

Dear Chair, Vice Chair, and Members of the Committee,

I am writing in strong opposition to HB649 HD1.

I am the owner of a snorkel and dive company here in Hawai‘i, and I can say firsthand that this bill would place an increased financial burden on ocean activity businesses that are already struggling in the current economic climate.

Our company is already working month to month to pay employees and keep operations running. The ocean tour industry operates on very thin margins, with significant and often overlooked costs such as vessel maintenance, equipment, insurance, taxes, and booking fees. Additional fees imposed by this measure would create further financial strain that many small operators simply cannot absorb—especially in the current declining visitor market.

I am also concerned that this bill places additional financial responsibility on small businesses without fully addressing how existing funds are being used. Over many years of paying slip fees at multiple harbors across O‘ahu, it has not been clear that these funds are being consistently directed toward maintenance and repairs. Before increasing fees, I believe it would be more appropriate and effective to conduct a thorough audit of existing revenue and ensure those funds are being properly allocated.

Small, locally owned ocean businesses are a vital part of Hawai‘i’s economy and community. Measures like HB649 HD1 risk pushing already struggling operators closer to closure.

For these reasons, I respectfully urge you to vote NO on HB649 HD1.

Thank you for the opportunity to testify.

Mahalo,
Joshua Thomas
Hawai‘i Snorkel & Dive

HB-649-HD-1

Submitted on: 3/21/2026 9:23:07 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Nathaniel Fisher	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senators,

My name is Nathaniel Fisher, and I am writing in opposition to **HB649**.

While this bill does not directly impact my specific operations, I am deeply involved in Hawai‘i’s commercial boating industry and feel compelled to speak on behalf of many operators who would be affected. I understand their challenges firsthand, and I believe this measure would create significant unintended consequences.

Key Concerns:

- **Already Thin Margins Across the Industry**

Many commercial boating and mooring operators are operating on extremely tight margins. The cost structure is already substantial and continually increasing, including:

- Rising fuel costs
- Competitive wages necessary to retain qualified crew
- Ongoing vessel maintenance and safety compliance
- Marketing and customer acquisition costs
- Harbor and DOBOR fees
- State park fees and DAR-related costs
- Hawai‘i GET, plus state and federal income taxes

Adding additional tax burden risks pushing already fragile operations to a breaking point.

- **Compounding Tax Pressure on a Single Industry**

Our industry is uniquely exposed to layered taxation and regulation. Each incremental increase may seem small in isolation, but collectively, they compound into a significant burden that is difficult to absorb or offset.

- **Limited Ability to Pass Costs to Customers**

It is often assumed that businesses can simply pass increased costs on to customers. In reality:

- Price sensitivity is very real in tourism
- Higher “out-the-door” pricing frequently leads to abandoned bookings
- We don’t just lose margin, we lose the entire sale

Over time, continued cost escalation risks making Hawai'i a less competitive destination which hurts us all.

- **Skepticism Around Allocation of Funds**

While the intent to reinvest funds into harbor infrastructure is understandable and appreciated, there is legitimate concern within the industry about:

- Whether funds will be consistently and directly allocated to harbor improvements
- The timeline and transparency of such improvements

Without strong accountability mechanisms, operators are being asked to absorb immediate costs with uncertain long-term benefits.

- **Existing Tax Structure Already Scales with Inflation**

The current 3% structure naturally increases as prices rise:

- As operating costs increase = prices increase
- As prices increase = total tax revenue increases proportionally

This built-in scaling reduces the need for additional rate increases.

Constructive Path Forward:

If the goal is to improve harbor infrastructure, and I believe we all agree that it is, there are more balanced approaches that can achieve that outcome without placing additional strain on local operators:

- Establish a **dedicated harbor improvement fund (“lockbox”)** with strict transparency and reporting, ensuring funds are used solely for harbor upgrades.
- Require **accountability and demonstrated efficiency** in the use of existing funds before introducing any increase.
- Explore **public-private partnerships**, allowing operators to contribute to improvements in exchange for fee offsets.

Closing Thought:

Hawai'i's commercial boating industry is resilient, but not immune. Policies that further increase financial pressure without guaranteed and transparent reinvestment, risk weakening an industry that plays a vital role in both our economy and visitor experience.

I respectfully urge you to oppose HB649 and instead explore solutions that support both harbor improvements and the long-term sustainability of local operators.

Mahalo for your time and consideration,

Nathaniel Fisher

HB-649-HD-1

Submitted on: 3/20/2026 4:01:45 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Koch	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Hashem, fellow committee members,

im writing today on behalf of myself. I'm not with an organization of any kind, just one local guy...but i have been using these small boat harbors all my life. I've fished out of many of the harbors on multiple islands and I understand the problems they all face. Through the years the State has dealt with financial difficulties and all too often our harbors and boat ramps get the short end of the stick. Further exsasperating the situation, are all the commercial dive/snorkel boat operators who have these small boat ramps clogged up with their large passenger hauling sized vessels like it's a personal launch. These operators seem to grow in numbers every year and they use the ramps at a disproportionate rate compared to small kine commercial fishermen or just local lawaia launching boat here and there. These guys use these ramps to load passengers on the daily and are earning big money. It only makes sense they give something back. I don't mean to pick on the tour guys but it's true they use the ramp the most and I think we all should help out where we can. But what's the alternative? Let the ramps fall into disrepair? If our ramps need to be shined up, that money has to come from somewhere. Most of the time we can't even get the DOBAR guys down there to blast off the limu and I'm not kidding, I've seen so many guys slip and go heels up and get injured. It's a safety thing and little bits of maintenance like that make big differences. Also using some of this money to sure up moorings is good practice and akamai seeing as how storms come in these islands and we get emergency situations leading to boats having nowhere to tie up or breaking off un maintained moorings.

please pass this bill as written. Mahalo nui

Eric K

Hawaii island

HB-649-HD-1

Submitted on: 3/21/2026 5:35:18 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
James E. Coon	Individual	Oppose	Written Testimony Only

Comments:

James Coon speaking in **STRONG OPPOSITION** to HB 649 HD 1

1. Charter Boats represent a small percentage of boats in Hawaii but already fund the majority of revenue collected by DOBOR and DAR.

2. The Charter Boats have been struggling since COVID and the Lahaina Fires. This potential fee increase is just another nail in the coffin

3. Charter Boats historically have a small profit margin after taxes. Fees that come from gross revenues are especially onerous, leaving little reserves to operate with.

4. Charter Boats are very dependent on healthy tourism numbers and weather. For example the current Kona Storms we are going through will put almost every Charter Boat Company in negative profitability in what usually is the biggest revenue month of the year. It will take many month's to dig out of this hole.

5. The Charter Boats supported a per person head tax to fund DAR. This has brought significant funding to DAR which is helping them manage our ocean resources. Charter Boats cannot continue to be the funding source to make up for inefficiency in DOBOR and DAR operations.

6. Charter Boat Companies are almost all small family businesses that depend on other small businesses to provide Catering, Marketing, Bookkeeping, Sales, large Repairs & Maintenance, fuel, HR, Payroll etc. The impact of these fees will hurt many other small businesses.

7. The Maui Charter Boats are especially vulnerable Financially since the Fires. They are not even close to recovering yet. Most are building their Charter Boats that were lost in the fire and Lahaina Harbor is still years from opening.

With all the uncertainty in our world this is a terrible time to increase our fees. We are barely navigating these inflationary and uncertain times.

Please do not pass this bill!

sincerely

James E. Coon

POBox 847

Kula, HI 96790

HB-649-HD-1

Submitted on: 3/21/2026 8:49:23 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Iwa Shaw	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing to OPPOSE HB649 HD1. Our industry is already overburdened by taxes and fees. Allowing higher fees would directly impact my small local business which is still struggling to recover from the Lahaina Wildfire. I would like to suggest using a percentage of our current fees to create a small boat harbor commercial use special fund for improvements.

HB-649-HD-1

Submitted on: 3/21/2026 10:16:05 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Tony Coscia	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair and Members of the Committee,

I'm writing in opposition to HB649 HD1 as a Captain for a locally owned tour operator on Kaua'i. This isn't just a job for me, it's how I support my family. I'm a father of one with another child on the way, and like so many others in this industry, I'm working hard to build a stable future here at home.

Local boat tour companies are already carrying a heavy burden when it comes to taxes and regulations. Most of these businesses operate on thin margins, and any increase in fees beyond the current 3 percent of gross revenue puts real pressure on their ability to continue operating. When costs go up, it doesn't just impact the business, it impacts the employees, the families behind them, and the thousands of people across our islands who rely on this industry to make a living.

When fees go up, our operating costs go up. That forces companies to raise ticket prices, and when prices rise, we start to see fewer bookings. That doesn't just affect the business, it affects crew members, their hours, and their ability to support their families. It also means less money flowing into other local businesses that depend on tourism.

Right now, with so much uncertainty in the world, we should be doing everything we can to protect local jobs and the industries that support our communities. I want my children to grow up with the opportunity not just to work here, but to be part of something meaningful, to contribute to their community, and to build a life in Hawai'i just like I am trying to do. Please don't make it harder for local families like mine to continue doing that.

Mahalo for your time and consideration. I strongly urge you to oppose HB649 HD1.

Respectfully,
Tony Coscia

HB-649-HD-1

Submitted on: 3/21/2026 10:32:12 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Emma Nelson	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-649-HD-1

Submitted on: 3/21/2026 11:47:21 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kyler Myers	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Hashem, Vice Chair Lamosao, and Members of the Committee,

My name is Kyler Myers, and I have worked in Hawai'i's commercial ocean tourism industry for over 12 years. I am a sailing catamaran captain and operations manager for a local commercial tour company, providing tours along the Na Pali coast, educating visitors, supporting local jobs, and sustaining a small business that is part of this community. I write to you this morning as a concerned community member, father, and small business employee in strong opposition to HB649 HD1.

The core issue here is not a lack of funding—it is inefficiency, poor management, and lack of leadership within the agencies responsible for these resources. Small boat harbors serve both commercial operators and the local community recreation, yet HB649 proposes that small business operators should carry the cost for all.

Commercial operators are already paying significant fees and high taxes, yet meaningful support and improvements remain slow. Recent Kona storms and flooding across the islands, along with the devastation from the Maui fires, highlighted the lack of support from state agencies, leaving businesses like ours to manage crises on our own. Many operators are currently recovering from these events, and will be for an extended period or time. Raising fees now would exacerbate this hardship.

I have personally witnessed how inefficiency and mismanagement affect not only businesses, but the vast communities of locals who depend on them, myself included. More money alone will not fix these systemic problems—raising fees without accountability unfairly burdens small operators, their employees, and the families who rely on this industry.

We urge the committee to reject HB649 HD1 and instead turn their focus on real solutions: improving leadership, accountability, and management of existing funds to ensure resources are used efficiently.

Mahalo for your time and consideration.

Sincerely,
Kyler Myers

HB-649-HD-1

Submitted on: 3/21/2026 12:35:53 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
peter o riordan	Individual	Oppose	Written Testimony Only

Comments:

I am writing to strongly oppose this bill and consistent money grab.

commercial entities are already paying gross receipts and also 1 dollar fo every single passenger on every single boat on every single trip.

Local boat tour companies are already burdened by high taxes and regulations.
Businesses operate on thin margins and cannot absorb additional costs

The real issue is DOBOR staffing and procurement delays, not lack of funding.

thank you

HB-649-HD-1

Submitted on: 3/21/2026 12:40:00 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Kelley	Individual	Oppose	Written Testimony Only

Comments:

Absolutely DO NOT support the passage of HB649 and kindly ask that the House Members also do not. Hawaii is in trouble, Maui is still on her knees and with these latest storms pummeling our island and filling nationwide news and social media with more negativity our island homes recovery is getting farther and farther away "NOT" closer. The last thing we need at this critical juncture is her another fee hike which is ultimately passed on to the consumer driving prices higher and higher. If a portion of the goal is to further disrupt the economy, tourism and the hospitality industry then by all means let's continue to, as they say, "shoot ourselves in the foot". This is "NOT" the right thing to be passing at this time. Thank you for your understanding and support is not passing this very bad bill.

Sincerely,

Michael T. Kelley

50 year Maui resident



March 21, 2026

Testimony Strongly Opposing HB649 HD1

I, Inca Robbin strongly oppose HB649. Any increase to the DLNR 3% fee would be intolerable for the commercial charter boat fleet already staining with the costs of operating vessels in Hawaii.

Small business operators with commercial boating companies face ever increasing operational burdens; from the rising cost of fuel, insurance, health insurance, mandatory dry docks to outer islands, mooring repairs, catering and food costs soaring, maintenance of equipment and engine/sails/rigging replacements, wages for professional captains/crew, USCG mandatory inspection fees and costs associated with safety equipment. Any increase would be the nail in the coffin for many of the smaller operators such as us who are barely able to get by as is.

Meanwhile despite the substantial fees the commercial fleet does contribute to the DLNR Boating Department we do not see any improvements to our State Harbor Facilities. From the simplest things such as waste disposal at Mala Wharf, proper parking stalls, fuel docks, dredging, year after year despite the thousands of dollars paid into the boating fund nothing changes. It's been 31 months since the Lahaina Wildfires destroyed Lahaina Harbor and there is only 4 companies allowed to use the 3 public loading docks, but not after dark because there isn't electricity. It's been 31 months (2.75 years) since the fires, and we are still waiting for Lahaina Harbor and Town to be rebuilt. I know that the Caribbean charter boat fleet endures hurricane damage to their harbor facilities yearly and yet they rebuild quickly and return to bring revenue to their islands within weeks after major destruction. How is it possible that this can't be done here in the Hawaiian Islands, a part of United States of America which is reliant on tourism for our economy.

As a Kaanapali Beach Catamaran company we do not have any harbor facilities, there is no water, power, parking, fuel dock, or dedicated place for our guests to check in prior to boarding, yet we pay the 3% Harbor Fee without compliant.

Without safe harbors providing shelter with every storm we are forced to take action to save our vessels at the risk of the safety of ourselves and our staff. At a huge cost and endangering our Captain and crews' safety and lives, we are now in the second week of anchoring off of Lanai while a Kona Storm devastates Maui. 4 boats have gone aground, where are the safe harbors for our fleets? To even consider increasing our fees is unacceptable considering that none of the funds we unfailingly have paid for decades has gone to improving our facilities or building more harbors.

We have operating charter boats in West Maui since 1974 and are still waiting to see any improvements for Maui's charter boat fleet. We are now considering other places such as Fiji, who just completed the construction of a second harbor that is state of the art and is encouraging charter boat companies to come provide services for their tourist market.

I humbly ask the State of Hawaii to consider not increasing this tax, but instead to work diligently towards improving the boating facilities and supporting the commercial marine operators who are the backbone of the tourist economy with the funds that we have already paid and continue to pay.

Thank you for taking the time to read my testimony.

Inca Robbin – Owner/Operator Hula Girl and Shangri-La Sailing Charters – 808 870-3673

HB-649-HD-1

Submitted on: 3/21/2026 5:31:08 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Ali Grimes	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I oppose HB649. Commercial operators are struggling as an industry and to further tax them, when current taxes on the harbors are not used for the harbors is unfair. The current 3% gross receipts harbor charge generates an exorbitant amount of money for the state - much more than the funding that goes back into the harbors. Mahalo.

HB-649-HD-1

Submitted on: 3/21/2026 6:02:05 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Keahi Ho	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I strongly oppose HB649 HD1. The state has historically had zero accountability to both recreational and commercial boaters in maintaining our state harbors. The 3% gross receipts commercial boaters currently pay to the state go into the state's general fund. Lahaina Harbor had condemned commercial slips prior to the fire that they did not fix for years or allow the slipholders to use. To tax the boating industry more than they are currently taxed, with subpar return on that tax, would be a burden to those small, mostly locally-owned businesses that is unnecessary and unfair. Mahalo for your time.

HB-649-HD-1

Submitted on: 3/21/2026 7:06:57 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
jacob	Individual	Oppose	Written Testimony Only

Comments:

- I oppose this bill. I am a captain on Kauai. This will burden the captains and crew working hard to make a living.
- Local boat tour companies are already burdened by high taxes and regulations
- The real issue is DOBOR staffing and procurement delays, not lack of funding

HB-649-HD-1

Submitted on: 3/22/2026 8:58:48 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristi Murray	Individual	Oppose	Written Testimony Only

Comments:

I am writing in strong opposition to HB649 HD1.

Local boat tour operators in Hawai‘i are already facing significant financial pressure from existing taxes, fees, and regulatory requirements. These businesses are not large corporations—they are often small, locally owned operations that operate on very thin margins. Adding further financial burden at this time risks pushing some of these operators out of business entirely.

Boat tour companies play an important role in Hawai‘i’s economy, supporting jobs, local families, and the broader visitor industry. Increasing costs on these businesses will have ripple effects, potentially leading to higher prices for visitors, reduced services, or job losses for local workers.

It is also important to recognize that the challenges facing the Division of Boating and Ocean Recreation are not primarily due to a lack of funding. Rather, they stem from ongoing staffing shortages and procurement delays that limit the department’s ability to effectively manage and deploy existing resources. Imposing additional costs on already strained businesses does not address these underlying operational issues.

For these reasons, I respectfully urge you to oppose HB649 HD1.

Thank you for the opportunity to provide testimony.

HB-649-HD-1

Submitted on: 3/22/2026 9:23:33 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Emily Bankhead	Individual	Support	Written Testimony Only

Comments:

To whom it may concern

While Maui is trying to recover from Covid, the fires and everything else that has been happening on our island. With the charters slowly getting back in business and now adding more fees. People save for a lifetime to come to Maui and see the whales and go snorkeling in our beautiful waters. But to do that, you need to go out on a catamaran or some kind of a watercraft. And you're making it so difficult for the companies. Not only do the tourist enjoy going out on the water, but so do the locals. So please, reconsider, raising your prices once again.

Thank you

HB-649-HD-1

Submitted on: 3/22/2026 10:21:01 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Manu Powers	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB649. Small business is already overburdened and any increase to fees will result in the loss of jobs, tax reveune for the State, and would be detrimental to local families.

HB-649-HD-1

Submitted on: 3/22/2026 11:01:06 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Jason Novello	Individual	Oppose	Written Testimony Only

Comments:

I am against increasing fees for vessels. We already pay a great deal for these moorings and harbor usage. Yet Lahaina harbor is still unusable, and Mala boat ramp is not in great condition either. The State is horribly managing these assets and the solution is not to increase our costs.

HB-649-HD-1

Submitted on: 3/22/2026 12:17:28 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Silas Carpenter	Individual	Oppose	Written Testimony Only

Comments:

I oppose of this Bill. I actively work utulizing Mala boat ranps due to the loss in Lahaina harbor. Being as that there are no active slips and no timeline as to when they will be built or utulized again there should be no added or increase in any moorings/slips or maintanance fees.

Mahalo

Silas Carpenter

HB-649-HD-1

Submitted on: 3/22/2026 12:56:40 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Zachary J Alexander	Individual	Oppose	Written Testimony Only

Comments:

This would be a massive detriment to the established charter businesses in Lahaina. After all the hard work put in to rebuild and establish themselves as a brand and a solid reputation, this would negatively impact all the time and effort put in by all of those close to the issue.

LATE

HB-649-HD-1

Submitted on: 3/22/2026 1:30:15 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Gabriel Lucy	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair and Members of the Committee,

I am writing in strong opposition to HB649 HD1 as someone who works for Captain Andy's on Kauai and is directly involved in Hawaii's ocean tourism industry.

I see firsthand how challenging it is to operate a local boat tour business in today's environment. Costs continue to rise across the board, including taxes, harbor fees, insurance, fuel, and regulatory compliance. Most operators are not working with large margins. We are doing our best to stay afloat while continuing to provide great experiences and support local jobs here on Kauai.

This bill would add even more financial pressure through increased fees tied to revenue, passengers, or moorage. These are not small changes. For many businesses, including ones like ours, these added costs cannot simply be absorbed. They will either be passed on to visitors or force difficult decisions around staffing, operations, and long term viability.

I fully support the need to improve harbor infrastructure. We all depend on it. However, from what I have experienced, the main issue is not a lack of funding. The real challenges are staffing shortages, delays, and inefficiencies within DOBOR. Until those issues are addressed, increasing fees will not lead to better outcomes for the people who rely on these harbors every day.

This bill puts additional strain on local operators without solving the underlying problems. Our industry plays an important role in Hawaii's economy and provides meaningful jobs for local families. Policies like this risk doing real harm to businesses that are already under pressure.

I respectfully ask that you oppose HB649 HD1.

Thank you for your time and consideration.

LATE

HB-649-HD-1

Submitted on: 3/22/2026 1:54:17 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristy Ford	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill, every year they ask for an increase in money and yet nothing ever changes. Where do the current funds go. Why are there not current funds allocated to keeping up the harbor. I think we should be able to see a breakdown of budgets before we just keep giving extra fees to the DLNR for things that were promised long ago.

LATE

HB-649-HD-1

Submitted on: 3/22/2026 7:07:20 PM
Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
David Jung	Individual	Oppose	Written Testimony Only

Comments:

Ladies and gentlemen of the committee, The timing of a rate increase increases the risk of bankruptcy for many commercial operators. Especially those of us who are attempting to start back up in Lahaina Harbor. First it was COVID, then the Lahaina fire, and then the two and a half year delay before allowing companies to operate out of Lahaina Harbor. The staggering losses incurred while maintaining and insuring our vessels for those years has been overwhelming. And now, with the downturn in tourism statewide and for Lahaina especially, trying to recover is a very, very challenging. This is simply not the time to increase fees for struggling operations. Please do not kill the golden goose that has poured millions into the state coffers over five decades. Maui no longer has Pineapple and sugarcane to bring income into our island. The tourist dollar is so incredibly important to our working class. Visitor services must not be forced out of business.

LATE

HB-649-HD-1

Submitted on: 3/22/2026 7:24:38 PM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin Ford	Individual	Oppose	Written Testimony Only

Comments:

Aloha and thank you for your time.

We strongly oppose this bill as it puts a great financial burden on small commercial boating businesses trying to keep their staff paid in a time where the cost of living is at a all time high in Maui.

The percentage that the DLNR already takes per year from all commercial boating companies is beyond what it should take to maintain and repair harbors in Hawaii, perhaps the allocation of these funds should be addressed before additional funds are mandated.

Representing a small company we request this bill is rejected

Thank You

LATE

HB-649-HD-1

Submitted on: 3/23/2026 8:52:57 AM

Testimony for WLA on 3/23/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Klayton Kubo	Individual	Support	Remotely Via Zoom

Comments:

Support.