

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

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

Before the House Committee on
FINANCE

Thursday, April 2, 2026
2:00 PM
State Capitol, Conference Room 308

In consideration of
SENATE BILL 411, SENATE DRAFT 2, HOUSE DRAFT 1
RELATING TO CAPITAL IMPROVEMENT PROJECTS AT STATE SMALL BOAT
HARBORS AND STATE PARKS

Senate Bill 411, Senate Draft 2, House Draft 1 proposes to allow the Department of Land and Natural Resources (Department) to engage in capital improvement project work at state small boat harbors and state parks without prior approval from the Legislature and Governor for existing facilities. **The Department of Land and Natural Resources (Department) supports this measure.**

The Department makes its best efforts to proactively address deferred maintenance needs at small boat harbors and state parks, but much of the work must be completed through the capital improvement project (CIP) budget, which is determined by the Legislature, then needs to be released by the Governor. While the Department already has the authority to complete some types of infrastructure work without the need for CIP funding or approval, construction and some types of larger repair work must follow the CIP process. In many instances, these CIP needs arise when the Legislature is not in session, so the Department would need to wait for the next upcoming Legislative Session so that a CIP request can be made.

While the Department acknowledges that facilities may need improvements, it is wholly inaccurate to attribute the condition of facilities to a lack of action or motivation by the Department. The Department regularly submits CIP requests totaling tens of millions of dollars to the Legislature each year but usually receives much less than the requested amounts in the Legislature's final CIP budget each year. Despite this severe CIP underfunding, the Department has been able to keep all of its small boat harbors and state parks operational and open to the public.

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
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

The Department's Division of Boating and Ocean Recreation (DOBOR) manages 16 small boat harbors and ramps statewide, and the Department's Division of State Parks (DSP) manages the State's 51 state parks, encompassing roughly 30,000 acres.

DOBOR's operations are almost entirely funded by the Boating Special Fund (BSF), which derives its revenues (roughly \$30 million annually) from user fees. In Fiscal Year 2024-2025, DOBOR spent a total of \$18 million of the BSF (about 60% of available funds) on various infrastructure projects statewide. However, for perspective, DOBOR's latest estimated deferred CIP balance is roughly \$1 billion. This estimate was recently increased due to a number of factors, including inflation and increased costs of supplies & labor. One recent example of how the CIP process has hindered a DOBOR project was in the Wailoa dredging project on Hawai'i Island, where the Legislature appropriated \$3.1 million in CIP funds, but the lowest bid on the project was \$4.8 million. Rather than waiting for the next budgeting cycle to request the additional funding, DOBOR proactively worked to supplement the CIP funding with \$1.7 million of its operational funds, which required additional time because the supplemental funding needed to follow CIP processes, during which time additional sediment accumulated and further blocked users' access to ocean waters.

DSP's operations are funded with a combination of general funds and the State Parks Special Fund, with an annual budget of about \$45 million. Due to a series of budget reductions over decades, DSP's operating budget was historically inadequate to provide the needed quality maintenance and management of aging facilities and infrastructure, many of which were constructed in the 1960s and early 1970s. Subsequently, DSP has needed to rely upon CIP funding to execute what should have been routine repair and maintenance. DSP also previously saw position reductions, which combined with the creation of additional State Park units, resulted in the degradation of many features and facilities due to overuse, underfunding, and understaffing. The Legislature recognized DSP's need for additional staffing and has gradually been increasing DSP's position count, which stands at 155 today. In 2020, DSP initiated a camping, lodging, parking, and entry fee increase, and in 2021, DSP's revenues hit the highest amount since the inception of the Hawai'i State Park system: \$31 million. DSP continues to see healthy revenues at its parks, and it is DSP's goal to achieve self-funding for deferred repair and maintenance, initiating value-added park improvements, such as a statewide upgrade of camping and lodging facilities, and managing operating costs, while sustaining its base budget of general funds for staff salaries and overhead.

Without significant changes in the approach to addressing infrastructure needs, the Department anticipates a constant maintenance backlog. This measure would therefore allow DOBOR and DSP to respond to CIP needs in a faster and more efficient way, and the Department will continue to follow proper procurement methods when issuing contracts for CIP work.

Mahalo for the opportunity to testify on this measure.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
THURSDAY, APRIL 2, 2026 AT 2:00 P.M.**

To The Honorable Representative Chris Todd, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
Members of the Committee on Finance

**SUPPORT SB411 SD2 HD1 RELATING TO CAPITAL IMPROVEMENT PROJECTS AT STATE
SMALL BOAT HARBORS AND STATE PARKS**

The Maui Chamber of Commerce supports SB411 SD2 HD1 as it offers a practical approach to improving the condition and functionality of state small boat harbors and parks, many of which need significant repairs and maintenance.

The ability for the Department of Land and Natural Resources to undertake capital improvement projects at existing facilities without requiring prior legislative or gubernatorial approval can help accelerate much-needed repairs and upgrades. Timely investment in public infrastructure and streamlined processes support economic growth by creating construction jobs, enhancing visitor experiences, and ensuring that core assets remain attractive and safe for both residents and visitors.

Mahalo for the opportunity to share our support of SB411 SD2 HD1. We ask that you move this measure forward.

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.



WEST MAUI TAXPAYERS' ASSOCIATION

March 31, 2026

SUBJECT: SB411

Aloha Chair Todd, Vice Chair Takenouchi, and Members of the Finance Committee, The West Maui Taxpayers' Association strongly supports SB411, relating to Capital Improvement Projects for small boat harbors and state parks.

The residents of West Maui urgently need Mala Harbor to be restored to a safe and fully functional condition. As our community continues to recover from the devastating August 8, 2023, wildfires that destroyed much of Lahaina, the timely repair of this critical facility is essential.

Mala Harbor has long served as an important resource for the Lahaina community, providing access for recreation, cultural practices, and, most importantly, supporting our local fishermen. Its restoration will not only help revive these vital activities but also contribute to the economic and emotional recovery of our residents.

Approving SB411 will help expedite the necessary repairs and demonstrate a strong commitment to rebuilding Lahaina in a way that is both meaningful and responsive to the needs of our community. Moving forward with these improvements will also help restore public trust in the overall recovery effort.

The West Maui Taxpayers' Association respectfully urges the Committee to support SB411 and prioritize the restoration of Mala Harbor for the benefit of the West Maui community.

Mahalo for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick Nava', with a long horizontal flourish extending to the left.

Rick Nava
Executive Director
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8082983953

WEST MAUI TAXPAYERS' ASSOCIATION
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