HOUSE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT OF THE MANAGEMENT OF STATE BOATING FACILITIES BY THE DIVISION OF BOATING AND OCEAN RECREATION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES.

WHEREAS, small boat harbors and boating facilities are part of the state’s ocean recreation and coastal areas programs established in Chapter 200, Hawaii Revised Statutes (HRS), and are managed by the Department of Land and Natural Resources’ Division of Boating and Ocean Recreation (Boating Division); and

WHEREAS, the proper operation and maintenance of small boat harbors allows the public to benefit from the State’s natural resources by engaging in recreational boating, commercial and personal fishing, and maritime-related business operations; and

WHEREAS, residents and visitors alike use boating facilities to participate in ocean-based activities such as yacht races, canoe regattas, ocean swimming, and surfing and board sailing contests; and

WHEREAS, inadequate management of state boating facilities has been a recurring problem, as cited in Auditor Report No. 01-09, "Audit of the Management of State Boating Facilities by the Department of Land and Natural Resources"; and

WHEREAS, the Auditor's audit report of 1993 and its follow-up audit report and audit report of 1998 also attest to the problem of inadequate management, which changed little in the 2001 or 2006 audit reports; and

WHEREAS, the Boating Division's mismanagement and neglect has deteriorated boating facilities to the point where their continued use threatens public safety; and

WHEREAS, of all the State's small boat harbors, perhaps the best known is Ala Wai Harbor in Honolulu; and
WHEREAS, the Ala Wai Harbor facilities are in effect dysfunctional and is causing the State to lose fee revenues; and

WHEREAS, the Ala Wai Harbor facilities, like many of the State's other harbors, need major repairs; and

WHEREAS, the 2001 Auditor's report also found that the Boating Division lacked adequate controls to ensure the accuracy and integrity of its financial affairs, such as determining the cost of operating its boating facilities; and

WHEREAS, in response to the 2001 Auditor's report, the Legislature enacted Act 285, Session Laws of Hawaii 2001, codified as section 200-19, HRS, to allow for private financing of small boat harbor improvements by execution of a capital advancement contract between the Board of Land and Natural Resources and a private party; and

WHEREAS, Act 259, Session Laws of Hawaii 2001, appropriated the sum of $2,000,000 for fiscal year 2001-2002, and the sum of $3,000,000 for fiscal year 2002-2003 for repair and maintenance of small boat harbor facilities; and

WHEREAS, Act 41, Session Laws of Hawaii 2004, appropriated the sum of $9,000,000 for fiscal year 2004-2005 for improvements at various existing boating facilities throughout the state and other berthing and shore facilities including boat ramps; and

WHEREAS, Act 178, Session Laws of Hawaii 2005, appropriated the sum of $5,000,000 for fiscal year 2005-2006 for improvements at various boating facilities; and

WHEREAS, Act 213, Session Laws of Hawaii 2007, appropriated the sum of $1,840,000 for fiscal biennium 2007-2009 for improvements at various boating facilities; and

WHEREAS, the portion of Auditor Report No. 06-04, "Financial Audit of the Department of Land and Natural Resources" relating to the Boating Division, found that although some of the prior recommendations had been implemented, the absence of effective management oversight continues to plague the Boating Division; and
WHEREAS, in spite of the Legislature's continued efforts to rectify the problem of repair, maintenance, and management of the boat harbors, problems continue to persist; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, that the Auditor is requested to conduct a follow-up audit to the 2001 Audit of the Management of State Boating Facilities by the Department of Land and Natural Resources (Report No. 01-09) and the portion of the 2006 Financial Audit of the Department of Land and Natural Resources (Report No. 06-04) relating to the Division of Boating and Ocean Resources, particularly as it applies to the Ala Wai Harbor; and

BE IT FURTHER RESOLVED that the Auditor report its findings and recommendations to the Legislature not later than 20 days prior to the convening of the Regular Session of 2011; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Board of Land and Natural Resources and the Auditor.

OFFERED BY: [Signature]

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