
HOUSE CONCURRENT 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.

1 WHEREAS, small boat harbors and boating facilities are part
2 of the State's ocean recreation and coastal areas programs
3 established in chapter 200, Hawaii Revised Statutes, and are
4 managed by the Department of Land and Natural Resources'
5 Division of Boating and Ocean Recreation (Boating Division); and
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7 WHEREAS, the proper operation and maintenance of small boat
8 harbors allows the public to benefit from the State's natural
9 marine resources by engaging in recreational boating, commercial
10 and personal fishing, and maritime-related business operations;
11 and
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13 WHEREAS, residents and visitors alike use boating
14 facilities to participate in ocean-based activities, such as
15 yacht races, canoe regattas, ocean swimming, and surfing and
16 board sailing contests; and
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18 WHEREAS, inadequate management of state boating facilities
19 has been a recurring problem, as cited in Auditor Report No.
20 01-09, "Audit of the Management of State Boating Facilities by
21 the Department of Land and Natural Resources"; and
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23 WHEREAS, the Auditor's report in 1993 and its follow-up
24 report in 1998 also attest to the problem of inadequate
25 management, which has changed little when further audits were
26 conducted in 2001 and 2006; and
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28 WHEREAS, the Boating Division's mismanagement and neglect
29 has resulted in boating facilities deteriorating to the point
30 where their continued use threatens public safety; and



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2 WHEREAS, of all the State's small boat harbors, perhaps the
3 best known is Ala Wai small boat harbor in Honolulu; and
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5 WHEREAS, the Ala Wai small boat harbor facilities, like
6 many of the State's other small boat harbors, need major
7 repairs; and
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9 WHEREAS, the 2001 Auditor's report also found that the
10 Boating Division lacked adequate controls to ensure the accuracy
11 and integrity of its financial affairs, such as determining the
12 cost of operating its boating facilities; and
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14 WHEREAS, in response to the 2001 Auditor's report, the
15 Legislature passed S.B. No. 755, which was enacted as Act 285,
16 Session Laws of Hawaii 2001, and codified as section 200-19,
17 Hawaii Revised Statutes, to allow for private financing of small
18 boat harbor improvements by execution of a capital advancement
19 contract between the Board of Land and Natural Resources and a
20 private party; and
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22 WHEREAS, Act 259, Session Laws of Hawaii 2001, appropriated
23 the sum of \$2,000,000 for fiscal year 2001-2002, and the sum of
24 \$3,000,000 for fiscal year 2002-2003, for repair and maintenance
25 of small boat harbor facilities; and
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27 WHEREAS, Act 41, Session Laws of Hawaii 2004, appropriated
28 the sum of \$9,000,000 for fiscal year 2004-2005 for improvements
29 at various existing boating facilities throughout the State and
30 other berthing and shore facilities including boat ramps; and
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32 WHEREAS, Act 178, Session Laws of Hawaii 2005, appropriated
33 the sum of \$5,000,000 for fiscal year 2005-2006 for improvements
34 at various boating facilities; and
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36 WHEREAS, Act 213, Session Laws of Hawaii 2007, appropriated
37 the sum of \$1,840,000 for fiscal biennium 2007-2009 for
38 improvements at various boating facilities; and
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40 WHEREAS, the portion of Auditor Report No. 06-04,
41 "Financial Audit of the Department of Land and Natural
42 Resources", relating to the operation and management of the
43 Division of Boating and Ocean Recreation, found that although
44 some of the prior recommendations had been implemented, the



1 absence of effective management oversight continues to plague
2 the Boating Division; and

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4 WHEREAS, in spite of the Legislature's continued efforts to
5 rectify the problem of repair, maintenance, and management of
6 the small boat harbors, problems continue to persist; now,
7 therefore,

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9 BE IT RESOLVED by the House of Representatives of the
10 Twenty-sixth Legislature of the State of Hawaii, Regular Session
11 of 2012, the Senate concurring, that the Auditor is requested to
12 conduct a follow-up audit to the 2001 Audit of the Management of
13 State Boating Facilities by the Department of Land and Natural
14 Resources (Report No. 01-09) and the portion of the 2006
15 Financial Audit of the Department of Land and Natural Resources
16 (Report No. 06-04) relating to the Division of Boating and Ocean
17 Recreation, particularly as it applies to the Ala Wai small boat
18 harbor; and

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20 BE IT FURTHER RESOLVED that the Auditor is requested to
21 report findings and recommendations, including any proposed
22 legislation, to the Legislature not later than twenty days prior
23 to the convening of the Regular Session of 2012; and

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

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OFFERED BY:

fid Cibawilla
Melo Canale

Kurt
Sam

[Signature]

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Denny Coffin

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