Testimony Presented Before the
Senate Committee on Water and Land
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SB 1173 - RELATING TO OCEAN STEWARDSHIP

Chair Inouye, Vice Chair Keith-Agaran, and members of the Committee:

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) supports the intent of SB 1173. This legislation proposes to establish the Ocean Stewardship Special Fund for the collection and use of moneys for the conservation, restoration, and enhancement of the State's marine resources, and to authorize the Department of Land and Natural Resources (Department) to collect nonresident user fees for the use and enjoyment of the State's ocean resources.

Hawai'i Sea Grant's mission is to provide integrated research, extension, and education activities that increase understanding and use of ocean and coastal resources of the Hawaiian and Pacific Islands and support the informed personal, policy, and management decisions that are integral to realizing this vision. Hawai'i Sea Grant is part of a national network of 34 university-based programs associated with the National Oceanic and Atmospheric Administration (NOAA) that promote better understanding, conservation, and use of coastal resources.

We see the Ocean Stewardship Fee as an important and sustainable pathway to fund the marine resource monitoring, restoration, and management that is vital for the conservation of ocean resources that sustain communities at the local level. As a program we are committed to the use of sound scientific information to advance understanding of the nature and value of our coastal, ocean, and marine resources; to identify new ways to conserve and use these resources; and to support evaluation of the environmental impacts and socio-economic trade-offs involved in coastal decision-making. We believe that there is a strong rational for the establishment of an Ocean Stewardship Fee.

 The Ocean Stewardship Fee is aimed at commercial ocean users who provide vessel-based activities to passengers or vessel-free services to customers.

- The nominal fee could be set at rates as low as \$1.00 per passenger and has the potential to generate an estimated \$14.4 to \$30.3 million over a 15 year time horizon.
- Ocean waters, marine environments, and beaches are the backbone of Hawai'i's \$15 Billion tourism industry and are central to Hawai'i's unique culture and lifestyle.
- Residents and visitors alike would benefit from improvements to the management of marine resources in Hawai'i.
- Improvements from increased marine management facilitated by the Ocean Stewardship Fee will help to sustain continued tourism spending and interest in boating and ocean recreation activities.
- A study commissioned by the Division of Aquatic Resources and completed in collaboration with Conservation International has looked in depth at successful finance models from other U.S. states. The establishment of an Ocean Stewardship Fee is based on other successful models. (https://dlnr.hawaii.gov/dar/files/2021/01/Ocean_Stewardship_Fund.pdf)
- The Division of Aquatic Resources has already identified priority areas such as coral reef restoration, mooring buoy maintenance, and habitat restoration that funds generated from the fee could be put to immediate use towards.

Hawai'i Sea Grant supports SB 1173 to establish the Ocean Stewardship Special Fund for the collection and use of moneys for the conservation, restoration, and enhancement of the State's marine resources. However, we are aware of the current financial climate of the State of Hawai'i and realizes that state funding is reduced. For the next fiscal biennium, the University of Hawai'i Board of Regents approved a budget request for the University that was flat and did not seek any increased funding to the University. UH defers to DLNR on their priorities.

Thank you for the opportunity to testify on this measure.