

LEGISLATIVE PROPOSALS FOR 2016
KAHO`OLAWA ISLAND RESERVE COMMISSION
JANUARY 2016

1. General Fund Request for \$600,000 (HB2034 and SB2582)

Background: During the past four years we have been introducing a measure to utilize a portion of the conveyance tax for the Kaho`olawe Rehabilitation Trust Fund. Most of the testimony against this measure and comments from many legislators is that a direct appropriation would be more appropriate for KIRC. During the development of the FY13 department legislative package the Governor shot down our conveyance tax request, but did promise bridge funding until the island is transferred to a Native Hawaiian Sovereign entity.

During the 2015 legislative session, the Governor signed into law Act 084 of 2015 Legislative Session that appropriated \$1,000,000 in General Funds for each fiscal year 2016 and 2017.

Request: A direct appropriation request of \$600,000 for FY2017 to the Kaho`olawe Island Restoration Trust Fund.

Justification: The funding is necessary to continue the state's management responsibilities with regard to the Kaho`olawe Island Reserve (Reserve). This include protection of its natural and cultural resources, implement appropriate management of its fisheries resources and protection of the general public from its inherent danger due to the remaining unexploded ordnance hazards that are still within the Reserve.

The funding is necessary to continue the KIRC's innovative and acclaimed restoration program that is seeking creative and cost efficient means of preventing surface run-off erosion from damaging the pristine and unique marine resources of the Reserve. The KIRC is doing this while also incorporating and traditional indigenous practices and modern scientific methods.

The key piece of KIRC equipment needed to ensure the continuing restoration effort on Kaho`olawe is the KIRC Landing Craft, `O`hua. The `O`hua is the primary means of transporting all people, supplies and equipment to Kaho`olawe and is critical to ensuring the continuing operations of the KIRC. The funding will be used to cover the operations, repair and maintenance of the KIRC Landing Craft including sufficient staff to safely operate the vessel, regular repairs and preventative maintenance and inspections, replacement of the landing craft trailer and the replacement of vehicles used to support the logistic operations.

For FY2016, it was necessary for the KIRC to severely reduce operating cost in order to remain within the fiscal constraints of the funds made available from Act 84/2015 (\$1,000,000 in general funds for each year FY2016 and FY2017) the residual of the trust fund and any grants and charitable contributions raised by the KIRC. The KIRC unfunded 4 position (two were occupied), cut 3 positions to half-time (all occupied) and instituted a 5% pay cut for the remaining 13 KIRC staff for FY2016 in order to meet this restriction. The requested funding will also be used to restore full pay to the 3 half-time positions and restore the remaining 13 to full pay. One of the unfunded positions will be restored as it is associated with the operations of the KIRC Landing Craft and the remaining 3 will remain unfunded until a future request.

2. Photovoltaic desalinization pilot project (HB2035):

Background: The legislature finds that as an island state, Hawaii has limited access to natural fresh water supplies. Amid increasing population and development, sustainable access to fresh water is key to the State's future, and new and innovative options for water reclamation must be explored.

Request: Appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2016-2017 for the purposes of establishing and implementing a three-year photovoltaic powered desalinization pilot project.

Justification: The Kaho`olawe island reserve commission, in conjunction with the department of business, economic development and tourism, shall implement a photovoltaic powered desalinization pilot project that shall:

- Promote the use of photovoltaic powered desalinization on the island of Kaho`olawe; and
- Study the following aspects of the technology's use:
 - Efficiency and cost-saving opportunities;
 - Conservation, sustainable-development, and water-security benefits; and
 - Potential for technological development and future statewide implementation.

The pilot project shall commence on July 1, 2017, and shall terminate on June 30, 2020. The Kaho`olawe island reserve commission, in conjunction with the department of business, economic development and tourism, shall submit an annual report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of each regular session beginning with the regular session of 2018 and ending with the regular session of 2020.

3. Authorization for funds from the Public Land Trust Fund to KIRC (HB2200):

Background: During the past four years we have been working with the administration and legislature to introduce various measure to create a sustainable funding mechanism for Kaho`olawe. Some of the past efforts include utilizing a portion of the conveyance tax for the Kaho`olawe Rehabilitation Trust Fund and creating a Molokini Marine Reserve user fee to fund the KIRC.

Request: Authorize that the chairperson of the board of land and natural resources may transfer funds from the department of land and natural resources' public land trust accounts set aside pursuant to section 171-18 for the betterment of native Hawaiians to the Kaho`olawe rehabilitation trust fund. All transfers shall be approved and certified by the board of land and natural resources and shall not exceed a total of \$3,000,000 annually.

Justification: The resources and waters of Kaho`olawe are being held in trust as part of the public land trust; provided that the State shall transfer management and control of the island and its waters to the sovereign native Hawaiian entity upon its recognition by the United States and the State of Hawai'i. The legislature finds that the uses of Kaho`olawe island reserve are consistent with the authorized uses of public land trust revenues as set forth in section 171-18, Hawaii Revised Statutes.

The purpose of this Act is to facilitate the continuing preservation, restoration, and appropriate use of the Kaho`olawe island reserve by authorizing the chairperson of the board of land and natural resources to transfer funds from the department of land and natural resources' public land trust accounts to the Kaho`olawe rehabilitation trust fund and authorizing the office of Hawaiian affairs to expend a portion of its public land trust revenues for purposes consistent with those of the Kaho`olawe rehabilitation trust fund.