#### HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

1

## H.B. NO. 2212

### A BILL FOR AN ACT

RELATING TO A DEPARTMENT OF PERMITTING.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

#### PART I

SECTION 1. The legislature finds that obtaining permits,
licenses, and other approvals from state departments and
agencies is often a long, time consuming, and frustrating
process, especially for small businesses and not-for-profit
groups that do not have the financial and personnel resources to
shepherd permit and license applications through multiple and
often duplicative and contradictory agency requirements.

9 The legislature further finds that, in these tough economic 10 times, it is fiscally responsible to seek out ways to reduce unnecessary government spending without sacrificing services to 11 12 the general public. One step in reaching this goal is to 13 consolidate duplicative functions currently spread out among 14 different state agencies, thereby streamlining government 15 operations and offering better, faster, and more "to the point" 16 services to the people of Hawaii.

17 The purpose of this Act is to consolidate a number of 18 permitting and licensing functions and employees of state HB LRB 10-0598.doc

## H.B. NO. 22/2

government into a department of permitting. This will ensure
 better organization and coordination of permitting functions,
 allow for standardized training and processing procedures, and
 reduce duplicative efforts.

5 This Act establishes the department of permitting as a 6 principal state department, to be effective upon approval. Effective January 1, 2011, the functions and employees relating 7 to permits and licenses of the department of agriculture are to 8 be transferred to the new department; and effective July 1, 9 10 2011, the functions and employees relating to permits and licenses of the department of land and natural resources are to 11 be transferred to the new department. 12

13 SECTION 2. The Hawaii Revised Statutes is amended by 14 adding a new chapter to be appropriately designated and to read 15 as follows:

16

17

#### "CHAPTER

#### DEPARTMENT OF PERMITTING

18 § -1 Definitions. As used in this chapter, unless the
19 context otherwise requires:

20 "County agency" means a department, division, office,
21 officer, agency, or other organization of a county government,
22 including a county council.



#### H.B. NO. 22/2

1 "County law" means a county charter provision, ordinance, 2 or administrative rule. 3 "County permit" means a permit that is subject to approval by a county agency pursuant to federal, state, or county law. 4 5 "Department" means the department of permitting. 6 "Director" means the director of permitting. 7 "Permit" means any approval, no matter the nomenclature, 8 required by state law. "Permit" includes any license, permit, 9 certificate, certification, approval, compliance schedule, or 10 other similar document or decision pertaining to any regulatory 11 or management program required prior to constructing or 12 operating a project; providing a good or service; operating a 13 trade or business; or doing any or all things regulated, 14 controlled, or managed by a state agency under state law. 15 "Permit plan" means the aggregated set of required permits, 16 coordinated by the department. 17 "State agency" means a department, division, office, 18 agency, or other organization of the state government, but not 19 the legislative branch of state government. "State law" means a state constitutional provision, 20 21 statute, or administrative rule.



Page 4

1	§ -2 Staff. The director may employ and dismiss staff
2	without regard to chapters 76 and 89, to assist the director in
3	the implementation of this chapter. The salary of each staff
4	member shall be set by the director; provided that staff members
5	shall be entitled to participate in any public employee benefit
6	program plan or privilege.
7	The director may contract persons, without regard to
8	chapter 103D, to assist the department in the implementation of
9	this chapter.
10	<b>§ -3 General powers.</b> (a) The department may:
11	(1) Sue and be sued;
12	(2) Have a seal and alter the same at pleasure;
13	(3) Make and execute contracts and other instruments
14	necessary or convenient to the exercise of its powers
15	and duties; and
16	(4) Adopt rules in accordance with chapter 91 for its
17	organization, internal management, and to carry into
18	effect its purposes, powers, and programs.
19	(b) In addition to other powers conferred upon it, the
20	department may do all things necessary and convenient to carry
21	out the powers expressly provided in this chapter.



## H.B. NO. 2212

1 ·	\$	-4 G	eneral duties of the department. (a) The
2	departmen	t sha	ll have the function and responsibility to accept
3	and revie	w all	applications for a permit, license, or other
4	approval	requi	red under state law; and to issue, deny, or
5	condition	the	issuance of the required permit, license, or
6	approval.	The	department shall:
7	(1)	Gath	er from the applicant any information the
8		depa	rtment finds relevant and necessary for the
9		revi	ewing and processing of a permit application; and
10	(2)	Coor	dinate public meetings to:
11		(A)	Allow members of the affected communities to
12			provide input regarding the issuance of the
13			permit or license;
14		(B)	Promote public awareness of the subject matter of
15			the proposed permit or license in the proposed
16			area; and
17		(C)	Allow the department, the applicant, and any
18			applicable agency to gain public sentiment and
19			input regarding the proposed permit or license.
20	(b)	Wher	e the particular activity under review requires
21	additiona	l app	rovals from federal agencies or under federal law



### H.B. NO. 2212

1 or permits or approvals from county agencies, the department 2 shall:

3	(1)	Identify all permits, licenses, and approvals required
4		by those federal or county agencies; and
5	(2)	Coordinate and facilitate the joint processing of the
6		application to ensure the timely review and obtain the

7 required permits and approvals.

8 (c) The department shall develop and establish a permit
9 plan application format and procedures that shall simplify and
10 expedite the permitting functions of state government.

(d) The department may charge appropriate application,
processing, issuance, and other permitting fees. All fees shall
be adopted pursuant to chapter 91, and shall be deposited into
the permitting special fund established under section -6.

15 S -5 Permit plan; permit processing. (a) The permit 16 plan shall be a working document, available to the public and 17 posted on the department's website, and shall be regularly 18 updated with current information. The permit plan shall be used 19 to promote efficiency and transparency in the permitting 20 process, including the coordinated and concurrent processing of 21 permits where possible, while ensuring opportunities for



### H.B. NO. 2212

appropriate public comment and participation, including public
 hearings.

3 (b) The permit plan shall be designed to ensure that all 4 permits identified in the permit plan shall be processed and 5 either approved or denied no later than twelve months after the 6 date that the application is accepted by the director, subject 7 to any extensions that may be requested by the applicant.

8 \$ -6 Permitting special fund. (a) There is created
9 within the state treasury a permitting special fund, which shall
10 consist of:

11 (1) Moneys appropriated to the fund by the legislature;
12 (2) Fees and other charges collected by the department
13 under this chapter; and

14 (3) Moneys allotted to the fund from other sources.

15 (b) Moneys in the fund shall be expended by the department16 for the purposes of this chapter.

17 § -7 Rules. The department may adopt rules pursuant to
18 chapter 91 to implement this chapter.

19 § -8 Reports. The department of permitting shall submit
20 an annual report to the governor and the legislature at least
21 twenty days prior to the convening of each legislative session
22 outlining its progress and activities under this chapter."



## H.B. NO. 22/2

₿

.1

1	SECTION 3. Chapter 26, Hawaii Revised Statutes, is amended			
2	by adding a new section to be appropriately designated and to			
3	read as follows:			
4	" <u>§26-</u> Department of permitting. (a) The department			
5	of permitting shall be headed by a single executive to be known			
6	as the director of permitting.			
7	(b) The department of permitting shall be responsible for			
8	accepting, processing, and approving or denying all applications			
9	for permits, licenses, and other approvals required under state			
10	law."			
11	SECTION 4. Section 26-4, Hawaii Revised Statutes, is			
12	amended to read as follows:			
13	"\$26-4 Structure of government. Under the supervision of			
14	the governor, all executive and administrative offices,			
15	departments, and instrumentalities of the state government and			
16	their respective functions, powers, and duties shall be			
17	allocated among and within the following principal departments			
18	that are hereby established:			
19	(1) Department of human resources development (Section 26-			
20	5) <u>;</u>			
21	(2) Department of accounting and general services (Section			
22	26-6) <u>;</u>			
	HB LRB 10-0598.doc			



1

1	(3)	Department of the attorney general (Section 26-7);
2	(4)	Department of budget and finance (Section 26-8);
3	(5)	Department of commerce and consumer affairs (Section
4		26-9) <u>;</u>
5	(6)	Department of taxation (Section 26-10);
6	(7)	University of Hawaii (Section 26-11) <u>;</u>
7	(8)	Department of education (Section 26-12);
8	(9)	Department of health (Section 26-13);
9	(10)	Department of human services (Section 26-14);
10	(11)	Department of land and natural resources (Section 26-
11		15) <u>;</u>
12	(12)	Department of agriculture (Section 26-16);
13	(13)	Department of Hawaiian home lands (Section 26-17);
14	(14)	Department of business, economic development, and
15		tourism (Section 26-18) <u>;</u>
16	(15)	Department of transportation (Section 26-19);
17	(16)	Department of labor and industrial relations (Section
18		26-20) <u>;</u>
19	(17)	Department of defense (Section 26-21);
20	(18)	Department of public safety (Section 26-14.6) $[-]$ ; and
21	(19)	Department of permitting (Section 26- )."
22		PART II



## H.B. NO. 22/2

1	SECT	ION 5. Section 26-16, Hawaii Revised Statutes, is
2	amended by	y amending subsection (c) to read as follows:
3	"(c)	The department shall:
4	(1)	Promote the conservation, development, and utilization
5		of agricultural resources in the State;
6	(2)	Assist the farmers of the State and any others engaged
7		in agriculture by research projects, dissemination of
8		information, crop and livestock reporting service,
9		market news service, and any other means of improving
10		the well-being of those engaged in agriculture and
11		increasing the productivity of the lands;
12	(3)	Administer the programs of the State relating to
13		animal husbandry, entomology, farm credit, development
14		and promotion of agricultural products and markets,
15		and the establishment and enforcement of the rules on
16		the grading and labeling of agricultural products;
17	ж.	provided that all permitting functions shall be the
18		responsibility of the department of permitting; and
19	(4)	Administer the aquaculture program under section 141-
20		2.5."
21	SECT	ION 6. Section 141-7, Hawaii Revised Statutes, is

22 amended by amending subsection (a) to read as follows:



## H.B. NO. 22/2

11

1 "(a) Any person violating any of the provisions of 2 chapters 141, 142, or 144 to 149A, for which violation a penalty is not otherwise provided, or violating any rule of the 3 4 department of agriculture, or any master of any vessel which brings into the State any article which the department at any 5 time shall prohibit from being imported into the State, or the 6 master of any vessel from which is landed any article required 7 8 in chapters 141, 142, or 144 to 149A to be inspected, before the 9 master has received a permit to land the articles from the 10 department of permitting or its officer or inspector, as provided by chapters 141, 142, and 144 to 149A, shall be fined 11 12 not more than \$500."

13 SECTION 7. Section 142-4, Hawaii Revised Statutes, is14 amended to read as follows:

15 "§142-4 Entry of animals without inspection prohibited. 16 No animal shall be allowed to enter the State except after 17 inspection by the department of agriculture and the issuance of a permit by the department of permitting to the consignee or 18 19 owner; provided that no fees for inspection shall be charged, 20 nor delays caused, concerning the landing of any domestic animal for which a certificate of health has been issued as prescribed 21 22 by the Federal Cattle Contagious Disease Act. Every carrier,



## H.B. NO. 22/2

owner, or handler bringing animals into the State shall be
 required to present these animals to the department of
 agriculture for inspection."

4 SECTION 8. Section 142-49, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "§142-49 Livestock ownership and movement certification. 7 Every owner, upon sale or transportation of livestock, including 8 cattle, horses, sheep, goats, pigs, bison, or llamas, shall 9 complete a certificate describing the animal or animals 10 including sex, breed, age, and brand and indicating the seller 11 or owner, buyer or consignee, and origin and destination. Two 12 copies of the certificate shall accompany the shipment, one copy 13 shall be given to the department of [agriculture,] permitting, 14 and a copy shall be retained by the owner. One of the copies of the certificate shall be presented upon request to a law 15 enforcement officer or other officer or employee as described in 16 17 section 142-29."

18 SECTION 9. Section 142-92, Hawaii Revised Statutes, is 19 amended to read as follows:

20 "\$142-92 Mongoose; keeping or breeding; penalty. It shall
21 be unlawful for any person to introduce, keep, or breed any
22 mongoose within the State except upon and according to the terms



#### H.B. NO. 22/2

1 of a written permit which may be granted therefor by the department of [agriculture,] permitting, in its discretion, to 2 3 scientists, scientific institutions, associations, or colleges, or to officers, boards, or commissions of the State or any 4 5 county. The department of permitting shall not issue a permit authorizing the keeping or breeding of mongoose within either 6 7 the county of Kauai or the island of Lanai. Any person who 8 violates this section shall be fined not less than \$250 nor more 9 than \$1,000 for each mongoose introduced, kept, or bred contrary 10 to this section."

SECTION 10. Section 142-93, Hawaii Revised Statutes, is amended to read as follows:

13 "§142-93 Harboring mongoose; penalty. Any person 14 harboring, feeding, or in any way caring for a mongoose, except 15 upon and according to the terms of a written permit which may be 16 granted therefor by the department of [agriculture,] permitting, 17 in its discretion, to scientists, scientific institutions, 18 associations, or colleges, or to officers, boards, or 19 commissions of the State or any county, shall be penalized 20 pursuant to section 142-12."



### H.B. NO. 2212

SECTION 11. Section 142-101, Hawaii Revised Statutes, is 1 2 amended by amending the definition of "department" to read as 3 follows: ""Department" means the department of [agriculture.] 4 5 permitting." SECTION 12. Section 142-111, Hawaii Revised Statutes, is 6 amended by amending the definition of "department" to read as 7 8 follows ""Department" means the department of [agriculture.] 9 10 permitting." 11 SECTION 13. Section 144-1, Hawaii Revised Statutes, is 12 amended to read as follows: "§144-1 Administration. This chapter shall be 13 14 administered by the department of agriculture, hereinafter referred to as the "department" [-]; provided that all permitting 15 16 functions shall be the responsibility of the department of permitting." 17 18 SECTION 14. Section 145-2, Hawaii Revised Statutes, is 19 amended to read as follows: "§145-2 Licenses. No person shall act as a commission 20 21 merchant, dealer, broker, agent, processor, or retail merchant



. 14

15

without having obtained a license as prescribed by rules of the
 department.

3 In addition to the general requirements applicable to all classes of applications as prescribed by rule, the following 4 5 requirements shall apply to each class of application noted: 6 (1)Commission merchants and brokers: Each application 7 shall include a schedule of commissions and charges . 8 for services, and the designated commissions and 9 charges shall not be changed or varied for the license 10 period except by written contract between the parties. 11 In addition, each application shall be accompanied by 12 the surety bond required by section 145-4. Agents: Each application shall include the name and 13 (2)14 address of each commission merchant, dealer, or broker 15 represented or sought to be represented by the agent, 16 the written indorsement or nomination of the 17 commission merchant, dealer, or broker, and such 18 additional information as the department may consider 19 proper or necessary. The department of permitting 20 shall thereupon issue to the applicant a license 21 entitling the applicant to conduct the business 22 described in the application at the place named in the



16

1 application for a year from the date thereof, or until 2 the same is revoked for cause; provided that the 3 license of an agent shall expire upon the date of expiration of the license of the principal for whom 4 5 the agent acts. The department of permitting may also 6 issue to each agent a card or cards which shall bear 7 the signature of the agent, separate cards being required for each principal. Any agent shall show the 8 9 card or cards upon the request of any interested 10 person. Any agent who displays a void or expired 11 license card shall be punished as provided in section 12 145-12.

13 Fraud or misrepresentation in making any application shall
14 ipso facto work a revocation of any license granted thereunder.
15 All indicia of the possession of a license shall be at all times
16 the property of the State and each licensee shall be entitled to
17 the possession thereof only for the duration of the license.

18 For filing the application for license, each applicant 19 shall pay a fee as prescribed by the department.

20 Should any commission merchant, dealer, broker, agent,
21 processor, or retail merchant refuse, fail, or neglect to apply
22 for the renewal of a preexisting license within thirty days



## H.B. NO. 2212

1 after the expiration thereof, a penalty of forty per cent shall
2 apply to and be added to the original fee as prescribed by the
3 department, and shall be paid by the applicant before the
4 renewal license may be issued.

5 Any person who has applied for and obtained a license 6 within the classification of commission merchant, in the manner 7 and upon payment of the fee set forth, may apply for and secure 8 a license in the other classifications without payment of 9 further fee, and upon further complying with those provisions of 10 this part regulating the licensing of the other particular classification involved. All licenses held by any licensee 11 12 under this section shall automatically expire on the expiration 13 date for the particular license for which the license fee was 14 paid."

15 SECTION 15. Section 145-8, Hawaii Revised Statutes, is 16 amended to read as follows:

17 "\$145-8 Duty of department. The department of agriculture
18 shall administer and enforce this chapter[-]; provided that the
19 permitting functions shall be the responsibility of the

20 department of permitting."

21 SECTION 16. Section 149A-11, Hawaii Revised Statutes, is
22 amended by amending subsection (b) to read as follows:



17 '

H.B. NO. 22/2

1	"(b)	It shall be unlawful to:
2	(1)	Detach, alter, deface, or destroy, in whole or in
3		part, any label or alter any labeling of a pesticide
4		unless it is approved by the department to correct an
5		<pre>improper label or labeling under section 24(c), FIFRA;</pre>
6	(2)	Add any substance to, or take any substance from, a
7		pesticide in a manner that may defeat the purpose of
8		this chapter;
9	· (3)	Use for a person's own advantage or reveal any
10		information relative to formulas of products acquired
11		in the administration of this chapter, to persons
12		other than to the chairperson or proper officials or
13		employees of the State or the federal government; to
14		the courts of this State or the federal government in
15		response to a subpoena; to physicians; or, in
16		emergencies, to pharmacists and other qualified
17		persons for use in the preparation of antidotes;
18	(4)	For any pesticide dealer, wholesaler, or retailer to
19		expose or to offer for sale or to solicit or receive
20		orders for the sale of restricted use pesticides
21		unless the dealer, wholesaler, or retailer has applied



## H.B. NO. 22/2

1 for and has obtained a license from the department [+]2 of permitting; 3 For any pesticide dealer, wholesaler, or retailer to (5)expose or to offer for sale or to solicit or receive 4 5 orders for the sale of restricted use pesticides to any person other than a certified pesticide 6 7 applicator; 8 For any pesticide dealer, wholesaler, or retailer to (6) 9 make any verbal or written claim or representation 10 relating to any pesticide product that is inconsistent 11 with the specific pesticide product label; or 12 (7)For any pesticide dealer to expose to, offer for sale 13 to, or solicit or receive orders for the sale of 14 restricted use pesticides to any pest control operator 15 or to an employee of the pest control operator acting 16 on the pest control operator's behalf without satisfactory proof that the pest control operator 17 18 holds, or has held within the previous one hundred 19 twenty days, a pest control license and, when 20 applicable, without satisfactory proof that the 21 employee is employed by the pest control operator."



1 SECTION 17. Section 149A-13, Hawaii Revised Statutes, is 2 amended as follows: 3 1. By amending subsection (a) to read: 4 "(a) Any pesticide which is received, used, sold, offered 5 for sale, or distributed within this State shall be licensed by the [board.] department of permitting. Any pesticide product 6 7 which has been sold in this State but for which the license is not renewed can be used by the purchaser. However, the product 8 9 cannot be sold, resold, or distributed within the State before 10 its license is renewed. The licensee shall file with the 11 department of permitting a statement including: The name and address of the licensee and the name and 12 (1)address of the person whose name will appear on the 13 14 label, if other than the licensee; (2)The name of the pesticide; 15 A complete copy of the labeling accompanying the 16 (3)17 pesticide and a statement of all claims to be made for it, including directions for use; and 18 19 (4)If requested by the department, a full description of 20 the tests made and the results thereof upon which the claims are based." 21 22 2. By amending subsection (d) to read:



Page 21

The department  $[\tau]$  of permitting, whenever it deems 1 "(d) 2 necessary in the administration of this chapter, may require the 3 submission of the complete formula of any pesticide. If it 4 appears to the department that the composition of the pesticide 5 is complete as to warrant the proposed claims for it and if the 6 pesticide and its labeling and other material required to be 7 submitted comply with the requirements of section 149A-15, the 8 department of permitting shall license the pesticide."

9 SECTION 18. Section 149A-17, Hawaii Revised Statutes, is
10 amended to read as follows:

"\$149A-17 Sales, permit, and record. In addition to
licensing requirements applicable to pesticides, every person
who sells or distributes restricted use pesticides shall obtain
an annual permit from the department[-] of permitting.
Conditions, procedures, and fees for the permit shall conform to
the rules adopted under this section.

All persons permitted to sell restricted use pesticides shall keep records of the individual sales of these pesticides. Records shall be kept at the principal place of business of the permittee for a period specified by the rules and shall be available to the department on request."



#### H.B. NO. 22/2

SECTION 19. Section 149A-18, Hawaii Revised Statutes, is 1 amended to read as follows: 2 3 "§149A-18 Denial, suspension, or revocation of permit. The department of permitting may deny issuance of a permit to 4 5 sell a restricted use pesticide for reasonable cause. Any permit issued pursuant to rules adopted under section 149A-17 6 may be suspended or revoked by the department, after due 7 hearing, for violation of any condition of the permit or of any 8 9. law or rule pertaining to the sale of pesticides. 10 Any order made by the department for the suspension or 11 revocation of a permit shall be in writing and shall set forth 12 the reasons for the suspension or revocation. 13 The action of the department in suspending or in revoking a 14 permit may be reviewed in the manner provided by chapter 91." 15 SECTION 20. Section 150-29, Hawaii Revised Statutes, is amended to read as follows: 16 17 "\$150-29 Seed licenses. A seed license from the department of permitting is required of: 18 19 (1)Every person whose name and address are required on 20 the label or who imports into the State for sale or 21 resale, agricultural or vegetable seed for planting 22 purposes.



### H.B. NO. 22/2

1 (2) Every person who opens any bag or container of 2 agricultural or vegetable seed and sells the contents 3 for planting purposes within the State. 4 Application for the license shall be made to the department of 5 permitting in accordance with rules adopted by the department. 6 All licenses shall expire on June 30 of each year." 7 SECTION 21. Section 150A-6.2, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows: 8 9 "(c) Animals on the lists of conditionally approved and 10 restricted animals shall be imported only by permit. Any animal 11 that is not on the lists of conditionally approved, restricted, 12 or prohibited animals shall be prohibited until the board's 13 review and determination for placement on one of these lists; 14 provided that the department of permitting may issue a special 15 permit on a case-by-case basis for the importation and 16 possession of an animal that is not on the lists of prohibited, 17 restricted, or conditionally approved animals, for the purpose 18 of remediating medical emergencies or agricultural or ecological 19 disasters, or conducting medical or scientific research in a 20 manner that the animal will not be detrimental to agriculture, 21 the environment, or humans, if the importer of the animal can 22 meet permit requirements as determined by the board; and



#### H.B. NO. 22/2

1 provided further that the department of permitting may issue a short-term special permit on a case-by-case basis not to exceed 2 3 ninety days for the importation and possession of an animal that 4 is not on the lists of prohibited, restricted, or conditionally approved animals for the purpose of filming, performance, or 5 exhibition, if the importer of the animal can meet permit and 6 7 bonding requirements as determined by the board." SECTION 22. Section 150A-6.3, Hawaii Revised Statutes, is 8 9 amended by amending subsections (a) to (d) to read as follows: 10 "(a) The board shall maintain: 11 A list of nonrestricted microorganisms allowed entry (1)12 into the State without a permit; 13 A list of restricted microorganisms that require a (2)permit for import into the State and possession; and 14 15 (3)A list of microorganisms that are select human 16 pathogens allowed entry into the State without a 17 permit but that require the department of permitting to notify the department of health of entry for the 18 19 purpose of possible department of health inspection 20 and monitoring.

21 Import of a microorganism on these lists, as well as import of 22 any unlisted microorganism, shall be subject to the



H.B. NO. 22/2

notification, labeling, and inspection requirements of section
 150A-5, and is allowed only as provided herein.

3 Import of a microorganism on the restricted list of (b) 4 microorganisms shall be by permit issued pursuant to rules and 5 subject to conditions established by rules; provided that, if 6 the department of permitting in its discretion determines that import of a microorganism on the restricted list or the 7 8 microorganism's proposed use presents a high risk to 9 agriculture, horticulture, the environment, or animal or public 10 health, the import request shall be subject to advisory committee review and board approval, including a determination 11 12 that the importer is able to comply with conditions established by the board, before a permit may be issued. 13

14 Import and possession of an unlisted microorganism may (c)15 be allowed based on the department's determination of the level 16 of risk presented by the import, including its proposed use, to agriculture, horticulture, the environment, or animal or public 17 18 health. Import shall be either by letter of authorization or 19 special permit issued by the department  $[\tau]$  of permitting, 20 without advisory committee review or board approval, or, 21 alternatively, by special permit issued by the department of 22 permitting subsequent to advisory committee review and board



## H.B. NO. 2212

approval, according to risk level as provided by rule; provided
 that in the latter instance the importer is able to comply with
 conditions established by the board.

4 (d)The department of permitting may issue an emergency 5 permit on a case-by-case basis to a state or federal agency or state university to allow import and possession of a 6 microorganism on the list of restricted microorganisms or an 7 8 unlisted microorganism for the purpose of remediating any 9 emergency or disaster affecting agriculture, horticulture, the 10 environment, animal or public health, or for emergency 11 preparedness; provided that:

- 12 (1) The board, without advisory committee review, first
   13 obtains advice from qualified persons with relevant
   14 expertise;
- 15 (2) The board determines that import in less time than is
  16 required for issuance of a special permit under
  17 subsections (b) and (c) as applicable, is necessary to
  18 remediate the emergency or disaster; and
- 19 (3) The importer is able to meet conditions established by20 the board.

21

(e) Microbial products may be imported as follows:



## H.B. NO. 22/2

1 Microbial products containing certain strains of (1)microorganisms on the nonrestricted list of 2 3 microorganisms, as identified by rule, may enter the 4 State without a permit but shall not be imported 5 without a registration issued pursuant to rules. 6 Import of an unregistered microbial product required 7 to be registered with the department is a violation of 8 this section; and 9 (2)Import of microbial products other than those products 10 required to be registered pursuant to paragraph (1) 11 shall be by permit or letter of authorization, as 12 provided in subsections (b) and (c) as applicable." SECTION 23. Section 150A-7, Hawaii Revised Statutes, is 13 amended by amending subsection (b) to read as follows: 14 15 "(b) It is a violation of this part to bring to or possess 16 in the State any living creature that is prohibited or restricted, without a permit issued by the department  $[\tau]$  of 17 18 permitting, except as expressly provided in this part. The 19 creature shall constitute contraband and shall be seized 20 immediately upon discovery, whenever found, and be destroyed, 21 donated to a government zoo, or sent out of the State, at the



### H.B. NO. 22/2

1 discretion of the department. Any expense or loss in connection 2 therewith shall be borne by the owner or the owner's agent." 3 SECTION 24. Section 150A-7.5, Hawaii Revised Statutes, is 4 amended to read as follows:

5 "\$150A-7.5 User fees. Fees may be assessed for the 6 processing and issuance of permits issued by the department of 7 permitting under this part, for inspections related to permit 8 conditions, and for the registration of microbial products 9 containing certain strains of microorganisms, as established by 10 rule."

SECTION 25. Section 150A-8, Hawaii Revised Statutes, is amended to read as follows:

13 "§150A-8 Transporting in State. Flora and fauna specified 14 by rules and regulations of the department shall not be moved 15 from one island to another island within the State or from one 16 locality to another on the same island except by a permit issued 17 by the department [-] of permitting."

18 SECTION 26. Section 152-3, Hawaii Revised Statutes, is 19 amended to read as follows:

20 "§152-3 Prohibited acts. It shall be unlawful to
21 introduce or to transport specific noxious weeds or their seeds
22 or vegetative reproductive parts into any area designated



#### H.B. NO. 2212

29

pursuant to section 152-5 as free or reasonably free of those noxious weeds; provided that the introduction or transportation of those noxious weeds may be permitted for educational or research purposes when authorized by a permit issued by the department[-] of permitting."

6 SECTION 27. Section 157-21, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "§157-21 Licensing. It shall be unlawful for any 9 producer, producer-distributor, or distributor to produce, sell, 10 process, or distribute milk in a milk shed unless the person is duly licensed by the department of permitting as provided by 11 12 this chapter. It shall be unlawful for any such person to sell, 13 buy, process, or distribute milk which the person knows or has 14 reason to believe has been produced or handled in violation of 15 this chapter."

16 SECTION 28. Section 157-24, Hawaii Revised Statutes, is 17 amended by amending subsections (b) and (c) to read as follows: 18 "(b) The [board] department of permitting may refuse to 19 renew a license or may suspend or revoke a license, upon due 20 notice and opportunity of hearing to the licensee, when it finds 21 any of the following:



.

.

## H.B. NO. 22/2

1	(1)	That any licensee has, without reasonable cause,
2		refused to accept milk delivered or failed to deliver
3		milk as agreed, except where a contract has been
4		terminated.
5	(2)	That any licensee has failed to account or make
6		payment, without reasonable cause, for any milk
7		purchased.
8	(3)	That any licensee has been adjudged a bankrupt.
.9	(4)	That any licensee has continued in a course of dealing
10		of such a nature as to indicate the licensee's
11		inability or unwillingness to properly conduct the
12		business of producing, processing, delivering,
13		receiving, or selling milk or of the licensee's intent
14		to deceive or defraud producers, producer-
15		distributors, distributors or consumers.
16	(5)	That any licensee has violated the state antitrust
17		law, chapter 480.
18	(6)	That any licensee has failed to keep records or to
19		furnish the statements or information required by the
20		board.

1



## H.B. NO. 2212

1	(7)	That any licensee has intentionally made a false or
2		misleading statement upon which the license was
3		issued.
4	(8)	That the licensee has violated or failed to comply
5		with this chapter.
6	(9)	That the licensee has ceased to operate the milk
7		business for which the license was issued.
8	(c)	The [board] department of permitting may conditionally
9	renew a l	icense or may conditionally decline to suspend or
10	revoke a	license, but such condition shall have appropriate
11	relation	to the administration of this chapter."
12	SECT	ION 29. Section 157-25, Hawaii Revised Statutes, is
13	amended t	o read as follows:
14	"§15	7-25 Proceedings to review. The action of the [board
15	<del>of agricu</del>	lture] department of permitting in refusing to grant or
16	renew a l	icense, or in revoking or suspending a license, or in
17	condition	ing or limiting the granting or renewal of a license,
18	may be re	viewed in the manner provided by chapter 91."
19	SECT	ION 30. Section 159-7, Hawaii Revised Statutes, is
20	amended t	o read as follows:
21	"§15	9-7 General powers. The department, through its
22	board, mag	y:



## H.B. NO. 22/2

1	(1)	Regu	late, supervise, inspect, and control the
2		slau	ghtering of animals and the manufacture,
3		proc	essing, transportation, packaging, labeling, and
4		disp	osal of meat or meat products involved in
5		intr	astate commerce;
6	(2)	Adop	t, amend, and repeal rules as are necessary to
7		impl	ement this chapter, subject to chapter 91, on the
8		foll	owing matters:
9		(A)	The issuance of licenses[7] by the department of
10			permitting, including the class of licenses to be
11			issued;
12		(B)	The type of equipment or facilities that may be
13			used in slaughtering and meat processing
14			operations;
15		(Ċ)	The internal operations of slaughterhouses and
16			meat processing establishments;
17		(D)	The procedures for ante-mortem and post-mortem
18			inspections and the reinspection of meat or meat
19			products used in processing, and the disposal of
20			diseased carcasses and parts of carcasses and
21			meat or meat products found to be unwholesome or
22			otherwise unfit for human consumption;



1	(E)	The hours of slaughtering and processing, and the
2		conditions under which slaughtering and
3		processing may be conducted at other than
4		scheduled times;
5	(F)	The labeling and packaging of meat or meat
6		products;
7	(G)	The storing, handling, and transportation of meat
8		or meat products;
9	(H)	The sanitary conditions of all establishments
10		where animals are slaughtered, and where meat or
11		meat products are processed or prepared; and
12	(I)	Any other matter as may be necessary or desirable
13		to implement this chapter. Notwithstanding the
14		foregoing provisions, the board, without regard
15		to the notice and public hearing requirements of
16		chapter 91, may adopt all federal meat inspection
17		regulations, including changes made from time to
18		time by the United States Secretary of
19		Agriculture, as rules for the efficient
20		administration of this chapter. Prior to the
21		effective date of any such rules, the department



34

1	shall publish in a newspaper of general
2	circulation a notice that includes:
3	(i) Either a statement of the substance of the
4	proposed rule adoption, amendment, or
5	repeal; or a general description of the
6	subjects involved and the purposes to be
7	achieved by the proposed rule adoption,
8	amendment, or repeal; and
· 9	(ii) A statement that a copy of the proposed rule
10	to be adopted, the proposed rule amendment,
11	or the rule proposed to be repealed will be
12	mailed to any interested person who requests
13	a copy, together with a description of where
14	and how the requests may be made.
15	The notice shall be mailed to all persons who
16	have made a timely written request of the
17	department for advance notice of these rules or
18	of the department's rulemaking proceedings. The
19	department may require reimbursement for the cost
20	of preparing and mailing the copies.
21	(3) Provide for the inspection and certification of meat
22	derived from exotic animals when these services are

÷



# H.B. NO. 22/2

1	requested by producers of these products, and obtain		
2	from users of these services reimbursement for all		
3	costs incurred in the provision of these services."		
4	SECTION 31. Section 159-13, Hawaii Revised Statutes, is		
5	amended to read as follows:		
6	"§159-13 Application for a license. The [board]		
7	department of permitting may issue licenses to slaughterhouses		
8	and meat processing establishments having certificates of		
9	sanitation issued under section 159-11. An applicant for an		
10	original or renewal license to operate as a slaughterhouse		
11	operator or meat processor shall file an application upon a form		
12	prepared by the board, containing the information which the		
13	board deems necessary for the administration of this chapter.		
14	The license year shall be from July 1 to June 30. All		
15	applications for renewal of licenses shall be made at least		
16	thirty days prior to the commencement of the license year."		
17	SECTION 32. Section 159-16, Hawaii Revised Statutes, is		
18	amended to read as follows:		
19	"[+]§159-16[+] Granting, suspending and revoking licenses.		
20	(a) The action of the [ <del>board</del> ] <u>department of permitting</u> in		
21	refusing to grant or renew a license, or in revoking or		



(

Page 36

ĩ

## H.B. NO. 22/2

1	suspendin	g a license, may be judicially reviewed in the manner
2	provided	by chapter 91.
3	(b)	No license shall be denied unless the [ <del>board</del> ]
4	departmen	t of permitting finds after due notice and an
5	opportuni	ty of hearing in accordance with chapter 91, to the
6	applicant	any of the following:
7	(1)	That the applicant does not qualify or possess the
8		facilities to conduct a business properly.
9	(2)	That the applicant does not have the financial
10		responsibility to conduct a business properly.
11	. (3)	That the issuance of a license is otherwise not in the
12		public interest.
13	(c)	The [ <del>board</del> ] <u>department of permitting</u> may refuse to
14	renew a l	icense or may suspend or revoke a license upon due
15	notice an	d opportunity of hearing in accordance with chapter 91,
16	to the li	censee when it finds any of the following:
17	(1)	The licensee has been adjudged a bankrupt.
18	(2)	The licensee has violated chapter 480 and the
19		violation is directly or indirectly involved with the
20		state meat industry.
21	(3)	The licensee has failed to keep records or to furnish
22		the statements or information required by the board.



36

.
,

.

## H.B. NO. 22/2

1	(4)	The licensee has intentionally made a false or
2		misleading statement upon which the license was
3		issued.
4	(5)	The licensee has violated or failed to comply with
5		this chapter.
6	(6)	The licensee has ceased to operate the business for
7		which the license was issued.
8	(d)	The [board] department of permitting may conditionally
9	renew a l	icense or may conditionally decline to suspend or
10	revoke a	license, but the condition shall have appropriate
11	relation	to the administration of this chapter."
12	SECT	ION 33. Section 159-29, Hawaii Revised Statutes, is
13	amended by	y amending subsection (a) to read as follows:
14	"(a)	This chapter requiring inspection of the slaughtering
15	of animals	s and the preparation of the carcasses, parts thereof,
16	and meat	or meat products at establishments conducting such
17	operation	s shall not apply:
18	(1)	To the slaughtering by any person of animals of the
19		person's own raising, and the preparation and
20		transportation by the person of the carcasses, parts
21		thereof, and meat or meat products of the animals
22		exclusively for use by the person, members of the



# H.B. NO. 2212

38

1 person's household, and the person's nonpaying quests 2 and employees; provided that the slaughter of the 3 animals is performed in compliance with part II of 4 chapter 146. To the custom slaughter by any person of cattle, 5 (2)6 sheep, swine, or goats delivered by the owner thereof or the owner's agent for slaughter, and the 7 preparation by that slaughterer of the carcasses, 8 parts thereof, and meat or meat products of the 9 10 animals exclusively for use, in the household of the 11 owner, by the owner, members of the owner's household, 12 and the owner's nonpaying quests and employees; nor: To the custom preparation by any person of carcasses, 13 (3)14 parts thereof, and meat or meat products derived from the slaughter by any person of cattle, sheep, swine, 15 16 or goats of the owner's own raising or from exotic 17 animals delivered by the owner thereof for that custom 18 preparation, and transportation of those custom 19 prepared articles exclusively for use, in the 20 household of the owner, by the owner, members of the 21 owner's household, and the owner's nonpaying guests 22 and employees.



# H.B. NO. 22/2

1	(4)	To the person engaging in custom operations at an
2		establishment at which inspection under this chapter
3		is maintained; provided that:
4		(A) Any carcasses, parts thereof, and meat or meat
5		products wherever handled on a custom basis, or
6	÷	any containers or packages containing those
7		articles, are separated at all times from
8		carcasses, parts thereof, and meat or meat
9		products prepared for sale; and
10		(B) All articles prepared on a custom basis, or any
11		containers or packages containing such articles,
12		are plainly marked "not for sale" immediately
13		after being prepared and kept so identified until
14		delivered to the owner.
15	2 i	A person conducting custom exempt operations shall be
16	÷	registered with the board as a custom exempt operator
17		under this paragraph and obtain a permit for exemption
18		from the [board] department of permitting to conduct
19		those operations. The [board] department of
20		permitting may refuse, withdraw, or modify any permit
21		for exemption under this paragraph in its discretion



#### H.B. NO. 2212

whenever it determines the action is necessary to 1 2 effectuate the purposes of this chapter." SECTION 34. Section 161-13, Hawaii Revised Statutes, is 3 4 amended to read as follows: 5 "[{]§161-13[}] Application for a license. The [<del>board</del>] 6 department of permitting may issue licenses to poultry 7 slaughterhouses and poultry processing establishments having 8 certificates of sanitation issued under section 161-11. An 9 applicant for an original or renewal license to operate as a 10 poultry slaughterhouse operator or poultry processor shall file 11 an application upon a form prepared by the board, containing such information which the board deems necessary for the 12 13 administration of this chapter. 14 The license year shall be from July 1 to the following 15 June 30. All applications for renewal of licenses must be made 16 at least thirty days before the commencement of the license 17 year." 18 SECTION 35. Section 161-15, Hawaii Revised Statutes, is 19 amended to read as follows: "[+]§161-15[+] Granting, suspending, and revoking 20 21 **licenses.** (a) The action of the [board] department of 22 permitting in refusing to grant or renew a license, or in HB LRB 10-0598.doc

# H.B. NO. 22/2

41

1	revoking or suspending a license, may be reviewed in the manner
2	provided by chapter 91.
3	$\left[\frac{a}{a}\right]$ (b) No license shall be denied unless the $\left[\frac{board}{a}\right]$
3	[ <del>[d]</del> ] <u>(b)</u> NO IICENSE SHAIT DE denied uniess the [ <del>beard</del> ]
4	department of permitting finds after due notice and opportunity
5	of hearing in accordance with chapter 91, one or more of the
6	following:
7	(1) That the applicant does not qualify or does not
8	possess the facilities to conduct a business properly.
9	(2) That the applicant does not have the financial
10	responsibility to conduct a business properly.
11	(3) That the issuance of a license is otherwise not in the
12	public interest.
13	[ <del>(b)</del> ] <u>(c)</u> The [ <del>board</del> ] <u>department of permitting</u> may refuse
14	to renew a license or may suspend or revoke a license upon due
15	notice and opportunity of hearing in accordance with chapter 91,
16	to the licensee when it finds any of the following:
17	(1) The licensee has been adjudged a bankrupt.
18	(2) The licensee has violated chapter 480, and said
19	violation is directly or indirectly involved with the
20	state poultry industry.
21	(3) The licensee has failed to keep records or to furnish
22	the statements or information required by the board.
ē	HB LRB 10-0598.doc

Page 42

# H.B. NO. 22/2

1	(4) The licensee has intentionally made a false or	
2	misleading statement upon which the license was	
3	issued.	
4	(5) The licensee has violated or failed to comply with any	
5	of the provisions of this chapter.	
6	(6) The licensee has ceased to operate the business for	
7	which the license was issued.	
8	[ <del>(c)</del> ] <u>(d)</u> The [ <del>board</del> ] <u>department of permitting</u> may	
9	conditionally renew a license or may conditionally decline to	
10	suspend or revoke a license, but such condition shall have	
11	appropriate relation to the administration of this chapter."	
12	SECTION 36. Section 161-29, Hawaii Revised Statutes, is	
13	amended as follows:	
14	1. By amending subsection (b) to read:	
15	"(b) The transportation by commercial carrier of	
16	carcasses, parts thereof, poultry, or poultry products produced	
17	without inspection under subsection (a) is prohibited, except	
18	under permit issued by the [board.] department of permitting."	
19	2. By amending subsection (e) to read:	
20	"(e) A person conducting custom exempt operations shall	
21	register with the board as a custom exempt operator under this	
22	subsection and shall obtain a permit for exemption from the	
	HB LRB 10-0598.doc 42	

## H.B. NO. 22/2

[board] department of permitting to conduct those operations.
In its discretion, the [board] department of permitting may
refuse, withdraw, or modify any permit for exemption under this
subsection if it determines that the action is necessary to
effectuate the purposes of this chapter."

6 SECTION 37. Section 166-6, Hawaii Revised Statutes, is
7 amended by amending subsection (c) to read as follows:

8 "(c) The [board of agriculture] department of permitting
9 may issue easements, permits, and rights of entry covering
10 agricultural park lands for uses consistent with the purposes
11 for which the lands were set aside or are otherwise subject to
12 the authority of the department pursuant to section 166-3."
13 SECTION 38. Section 166E-8, Hawaii Revised Statutes, is
14 amended by amending subsection (d) to read as follows:

15 "(d) The [board] department of permitting may issue 16 easements, licenses, permits, and rights-of-entry for uses that 17 are consistent with the purposes for which the lands were set 18 aside or are otherwise subject to the authority of the 19 department pursuant to section 166E-9."

20 SECTION 39. Effective January 1, 2011, the functions and
21 employees relating to permits and licenses of the department of



3

## H.B. NO. 22/2

44

agriculture shall be transferred to the department of
 permitting.

PART III

4 SECTION 40. Section 26-15, Hawaii Revised Statutes, is
5 amended by amending subsection (b) to read as follows:

6 "(b) The department shall manage and administer the public lands of the State and minerals thereon and all water and 7 8 coastal areas of the State except the commercial harbor areas of 9. the State, including the soil conservation function, the forests 10 and forest reserves, aquatic life, wildlife resources, state 11 parks, including historic sites, and all activities thereon and therein including  $[\tau]$  but not limited to  $[\tau]$  boating, ocean 12 13 recreation, and coastal areas programs [-]; provided that all 14 permitting functions shall be the responsibility of the 15 department of permitting."

16 SECTION 41. Section 171-24, Hawaii Revised Statutes, is 17 amended to read as follows:

18 "§171-24 Land conveyances, preparation, signing, record, 19 copies. Except for the preparation and execution of leases and 20 licenses and the issuance of revocable permits and rights of 21 entry by the department of transportation, in its harbor and 22 airport functions, all land patents, deeds, leases, grants, or



### H.B. NO. 22/2

45

1 other conveyances of any public land or any interest therein, 2 shall be prepared by the department of land and natural 3 resources [-]; provided that the issuance of permits shall be the 4 responsibility of the department of permitting. The department of transportation shall, within thirty days after the execution 5 6 or issuance of such documents, file or record as directed by the 7 board of land and natural resources the original of the same 8 with the board.

9 Documents setting aside lands for public purposes or 10 withdrawing the same shall be signed by the governor. All other 11 documents prepared by the department of land and natural 12 resources shall be signed by its chairperson or any authorized 13 employee.

14 The board shall keep a complete record of all such 15 documents. The record shall be open to public inspection and 16 the board shall furnish a certified copy, under its official 17 seal, of any document to any person applying therefor, upon 18 payment of reasonable charges set by the board for certified 19 copies."

20 SECTION 42. Section 171-40, Hawaii Revised Statutes, is 21 amended to read as follows:



### H.B. NO. 22/2

46

1 "§171-40 Expired leases; holdover. Upon expiration of the 2 lease term, if the leased land is not otherwise disposed of, the 3 board of land and natural resources may allow the lessee to 4 continue to hold the land for a period not exceeding one year 5 upon such rent, terms, and conditions as the board may 6 prescribe; provided that if, immediately prior to the expiration 7 of the lease, the land was cultivated with crops having ratoons 8 for at least one cycle, as defined hereinafter, the board may 9 permit the lessee to continue to hold the leased land until the 10 crops from the last remaining cycle have been harvested. The 11 term "cycle" as used in this section means the period required 12 to plant and cultivate the original crop, including the 13 harvesting of the first ratoon, being a period exceeding two 14 years.

Upon expiration of the one-year extension, if the board has not yet decided upon the re-lease of the land or reservation for other purposes, the [board] department of permitting may issue a temporary permit to the lessee, subject to section 171-55 and the rent and such other terms and conditions as the board may prescribe."

21 SECTION 43. Section 171-55, Hawaii Revised Statutes, is 22 amended to read as follows:



### H.B. NO. 22/2

1 "§171-55 Permits. Notwithstanding any other law to the 2 contrary, the [board of land and natural resources] department 3 of permitting may issue permits for the temporary occupancy of 4 state lands or an interest therein on a month-to-month basis by 5 direct negotiation without public auction, under conditions and 6 rent which will serve the best interests of the State, subject, 7 however, to those restrictions as may from time to time be 8 expressly imposed by the board. A permit on a month-to-month 9 basis may continue for a period not to exceed one year from the 10 date of its issuance; provided that the [board] department of 11 permitting may allow the permit to continue on a month-to-month 12 basis for additional one year periods."

13 SECTION 44. Section 171-56, Hawaii Revised Statutes, is 14 amended to read as follows:

15 "\$171-56 Contract or license for concessions or concession 16 space. The [board of land and natural resources] department of 17 permitting may, subject to chapter 102, dispose of concessions, 18 as defined in chapter 102, and shall enter into contracts or 19 issue licenses for such concessions; provided that the duration 20 of the contract or license shall be related to the investment 21 required, but in no event to exceed fifteen years."



### H.B. NO. 22/2

1 SECTION 45. Section 174C-9, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+] §174C-9[+] Proceedings before the commission concerning water resources. All proceedings before the 4 5 commission concerning the enforcement or application of any 6 provision of this chapter or any rule adopted pursuant thereto, 7 or the issuance, modification, or revocation of any permit or 8 license under this code issued by the [commission,] department 9 of permitting, shall be conducted in accordance with chapter 91. 10 Hearings regarding particular water resources shall be conducted 11 on the island where those water resources are located." 12 SECTION 46. Section 174C-27, Hawaii Revised Statutes, is 13 amended by amending subsection (a) to read as follows: 14 "(a) When a declaration has been filed in accordance with 15 this section and the [commission] department of permitting has 16 determined that the use declared is a reasonable, beneficial 17 use, the [commission] department of permitting shall issue a 18 certificate describing the use. The certificate shall be deemed

19 to constitute a description of the use declared. With respect 20 to certificates for water use, the confirmed usage shall be 21 recognized by the commission in resolving claims relating to



### H.B. NO. 2212

existing water rights and uses including appurtenant rights, 1 2 riparian and correlative use." 3 SECTION 47. Section 174C-31, Hawaii Revised Statutes, is 4 amended as follows: 5 1. By amending subsection (j) to read: 6 The [commission] department of permitting shall "(יֹ) 7 condition permits under part IV of this chapter in such a manner 8 as to protect instream flows and maintain sustainable yields of 9 ground water established under this section." 10 2. By amending subsection (1) to read: 11 The commission may designate certain uses in "(1) 12 connection with a particular source of supply which, because of the nature of the activity or the amount of water required, 13 14 would constitute an undesirable use for which the [commission] 15 department of permitting may deny a permit under the provisions 16 of part IV." 17 SECTION 48. Section 174C-48, Hawaii Revised Statutes, is 18 amended by amending subsection (a) to read as follows: "(a) 19 No person shall make any withdrawal, diversion, 20 impoundment, or consumptive use of water in any designated water 21 management area without first obtaining a permit from the [commission.] department of permitting. However, no permit 22 HB LRB 10-0598.doc 49 

#### H.B. NO. 22/2

1 shall be required for domestic consumption of water by 2 individual users, and no permit shall be required for the use of 3 a catchment system to gather water. An existing use in newly 4 designated areas may be continued until such time as the 5 [commission] department of permitting has acted upon the 6 application subject to compliance with section 174C-51." 7 SECTION 49. Section 174C-49, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows: 8 "(e) All permits issued by the [commission] department of 9 10 permitting shall be subject to the rights of the department of 11 Hawaiian home lands as provided in section 221 of the Hawaiian 12 Homes Commission Act, whether or not the condition is explicitly 13 stated in the permit." 14 SECTION 50. Section 174C-50, Hawaii Revised Statutes, is amended by amending subsections (b) to (h) to read as follows: 15 16 "(b) After publication as provided in section 174C-52, the [commission] department of permitting shall issue a permit for 17 18 the continuation of a use in existence on the effective date of 19 designation, if the criteria in subsection (a) are met and the 20 existing use is reasonable and beneficial.

Whether the existing use is a reasonable-beneficial use and
is allowable under the common law of the State shall be



### H.B. NO. 22/2

51

1 determined by the [commission] department of permitting after a 2 hearing; provided that the [commission] department may make such. 3 a determination without a hearing, if the quantity of water 4 applied for does not exceed an amount per month established by 5 rule or if the quantity of water applied for exceeds an amount 6 per month established by rule, but no objection to the 7 application is filed by any person having standing to file an 8 In determining whether an application does not objection. 9 exceed the amount per month established by rule, the 10 [commission] department shall consider an average of water use 11 over the three-month period immediately preceding the filing of 12 the application.

(c) An application for a permit to continue an existing 13 14 use must be made within a period of one year from the effective 15 date of designation. Except for appurtenant rights, failure to apply within this period creates a presumption of abandonment of 16 17 the use, and the user, if the user desires to revive the use, 18 must apply for a permit under section 174C-51. If the 19 [commission] department of permitting determines that there is 20 just cause for the failure to file, it may allow a late filing. 21 However, the [commission] department may not allow a late filing 22 more than five years after the effective date of rules



### H.B. NO. 22/2

52

implementing this chapter. The [commission] department shall
 send two notices, one of which shall be by registered mail, to
 existing users to file for an application for a permit to
 continue an existing use.

5 An application shall be acted upon by the [commission] (d) 6 department of permitting within ninety calendar days of an 7 application not requiring a hearing, or within one hundred eighty calendar days of an application requiring a hearing. 8 The 9 time periods prescribed in this subsection shall not be deemed 10 to run for any period in which an application is not complete in 11 all material respects in the judgment of the [commission.] 12 department.

13 The [commission] department of permitting shall issue (e) 14 an interim permit; provided that the existing use meets the 15 conditions of subsection (b). The [commission] department shall 16 also issue an interim permit for an estimated, initial 17 allocation of water if the quantity of water consumed under the existing use is not immediately verifiable, but the existing use 18 19 otherwise meets the conditions of subsection (b) for a permit or 20 an interim permit. An interim permit is valid for such time 21 period specified therein. The [commission] department may issue 22 successive interim permits of limited duration. Interim permits



#### H.B. NO. 22/2

are subject to revocation under section 174C-58. Whenever
 interim permits are to be issued, the time periods specified in
 subsection (d) apply to the issuance or nonissuance of interim
 permits.

5 A permit to continue an existing use shall be for a (f) 6 quantity of water not exceeding that quantity being consumed under the existing use. The quantity being consumed shall be 7 determined and verified by the best available means not unduly 8 9 burdensome on the applicant, as determined by the [commission.] 10 department of permitting. The [commission] department may 11 prescribe the installation of metering or gauging devices, and, if so prescribed, such metering or gauging devices shall be in 12 13 place and operational for at least one year before a 14 determination is made as to the quantity of water being consumed 15 in an existing use and a final permit is issued.

(g) If an interim permit is issued pending verification of the actual quantity of water being consumed under the existing use, a final determination of that quantity shall be made within five years of the filing of the application to continue the existing use. In the final determination, the [commission] department of permitting may increase or reduce the amount initially granted the permittee.



### H.B. NO. 2212

54

1 (h) Two or more existing uses of water are deemed to be 2 competing when they draw water from the same hydrologically controllable area and the aggregate quantity of water consumed 3 4 by the users exceeds the appropriate sustainable yield or 5 instream flow standards established pursuant to law for the 6 If applications are made to continue existing uses which area. 7 are competing and the uses otherwise meet the requirements of 8 subsection (b), the [commission] department of permitting shall 9 hold a hearing to determine the quantity of water that may be 10 consumed and the conditions to be imposed on each existing use." SECTION 51. Section 174C-53, Hawaii Revised Statutes, is 11 amended to read as follows: 12

"[+]§174C-53[+] Permit issuance. (a) The [commission] 13 14 department of permitting shall determine, after a hearing, if required, whether the conditions set forth in section 174C-49(a) 15 16 have been established; provided that the [commission] department 17 may make such determination without a hearing if the quantity of 18 water applied for does not exceed an average amount per month to 19 be established by rule or if the quantity of water applied for 20 exceeds an average amount per month to be established by rule, but no objection to the application is filed by any person 21 22 having standing to file an objection.



### H.B. NO. 22/2

1 In acting upon any application, the [commission] (b) 2 department of permitting need consider only those objections 3 filed by a person who has some property interest in any land 4 within the hydrologic unit from which the water sought by the 5 applicant is to be drawn or who will be directly and immediately 6 affected by the water use proposed in the application. The 7 commission shall adopt rules governing the filing of objections and the persons having standing to file objections. 8

9 (c) An application shall be acted upon within ninety 10 calendar days of an application not requiring a hearing, or 11 within one hundred eighty calendar days of an application 12 requiring a hearing. The time periods prescribed in this 13 section shall not be deemed to run for any period in which an 14 application is not complete in all material respects, in the 15 judgment of the [commission.] department.

(d) As a condition for the issuance of a permit the [commission] department of permitting may require the permittee to install meters, gauges, or other appropriate measuring devices."

20 SECTION 52. Section 174C-58, Hawaii Revised Statutes, is 21 amended to read as follows:



# H.B. NO. 22/2

1	"[+]	<pre>\$174C-58[] Revocation of permits. After a hearing,</pre>
2	the [ <del>comm</del>	ission] department of permitting may suspend or revoke
3	a permit	for:
4	(1)	Any materially false statement in the application for
5		the water permit, a modification of a permit term, or
6	Υ.	any materially false statement in any report or
7		statement of fact required of the user pursuant to
8		this part.
9	(2)	Any wilful violation of any condition of the permit.
10	(3)	Any violation of any provision of this chapter.
11	(4)	Partial or total nonuse, for reasons other than
12		conservation, of the water allowed by the permit for a
13		period of four continuous years or more. The
14		[commission] department may permanently revoke the
15		permit as to the amount of water not in use unless the
16		user can prove that the user's nonuse was due to
17		extreme hardship caused by factors beyond the user's
18		control. The [commission] department and the
19		permittee may enter into a written agreement that, for
20		reasons satisfactory to the [commission,] department,
21		any period of nonuse may not apply towards the four-
22	×	year revocation period. Any period of nonuse which is



# H.B. NO. 2212

57

1	caused by a declaration of water shortage pursuant to	
2	section 174C-62 shall not apply towards the four-year	
3	period of forfeiture.	
4	The [commission] department of permitting may cancel a permit,	
5	permanently and in whole, with the written consent of the	
6	permittee."	
7	SECTION 53. Section 174C-59, Hawaii Revised Statutes, is	
8	amended to read as follows:	
9	"§174C-59 Transfer of permit. A permit may be	
10	transferred, in whole or in part, from the permittee to another,	
11	if:	
12	(1) The conditions of use of the permit, including, but	
13	not limited to, place, quantity, and purpose of the	
14	use, remain the same; and	
15	(2) The [commission] department of permitting is informed	
16	of the transfer within ninety days.	
17	Failure to inform the [commission] department of the	
18	transfer invalidates the transfer and constitutes a ground for	
19	revocation of the permit. A transfer which involves a change in	
20	any condition of the permit, including a change in use covered	
21	in section 174C-57, is also invalid and constitutes a ground for	
22	revocation."	

HB LRB 10-0598.doc

### H.B. NO. 22/2

SECTION 54. Section 174C-84, Hawaii Revised Statutes, is
 amended to read as follows:

3 "[+]§174C-84[+] Permits for well construction and pump (a) No well construction and no installation of 4 installation. 5 pumps and pumping equipment shall commence without appropriate permit from the [commission.] department of permitting. An 6 application for a permit for well construction shall be required 7 for all areas of the State including water management areas and 8 9 shall be made by the well driller who will construct the well. 10 An application for a permit for installation of a pump and 11 pumping equipment shall be made by the pump installation 12 contractor who will install the pump and pumping equipment. 13 (b) Every application shall contain such data prescribed by the [commission,] department of permitting including the 14

15 applicant's name; the applicant's license number; the name and 16 address of the person who will control and operate the well; in 17 water management areas, the water use permit number; the 18 location of the well; the proposed depth and method of well 19 construction; the size and expected capacity of the well; and a 20 description of the pump and pumping equipment to be installed. 21 The [commission] department of permitting may issue a (C) 22 permit only if the proposed construction complies with all



### H.B. NO. 22/2

applicable laws, rules, and standards. Before acting on any
 application, the [commission] department shall cause the
 application to be reviewed by the department of health for
 compliance with their rules and standards concerning, among
 other things, the appropriateness of the well location.

6 (d) Every permit shall direct the well driller and pump 7 installation contractor to file a well completion report, as 8 provided in section 174C-85. The permit shall be prominently 9 displayed at the site of the well at all times until the well 10 construction or the pump and pumping equipment installation is 11 completed.

12 (e) The holder of a permit for well construction, with the 13 approval of the [commission,] department of permitting may 14 change the location of the well before construction is completed. An application to change the location shall describe 15 16 the location, the proposed depth and method of construction, and 17 the size and expected capacity of the new well. It shall also 18 describe the manner of sealing or plugging the incomplete and 19 abandoned well. The [commission] department shall cause all 20 such applications to be reviewed by the department of health for 21 compliance with their rules and standards concerning, among 22 other things, the appropriateness of the location of the well.



### H.B. NO. 2212

1 The [commission] department may issue an amended permit if it 2 determines that the proposed new well location will serve the same use as the original well and draw upon the same supply of 3 4 water and will not be contrary to any applicable law, rule, 5 order, or regulation, and that the incomplete and abandoned well will be sealed or plugged in a manner to prevent waste of water 6 and damage to the water supply and to protect the public from 7 8 harm.

9 (f) Any applicant whose application is rejected may obtain 10 a hearing before the [commission] department by filing within 11 thirty days of the mailing of the notice of rejection a written 12 petition requesting such a hearing. The hearing shall be 13 conducted pursuant to part I.

14 (g) The [commission] department of permitting may suspend 15 or revoke a permit, after notice and hearing, on any of the 16 following grounds:

17 (1) Material misstatement or misrepresentation in the18 application for a permit;

19 (2) Failure to comply with the provisions set forth in the20 permit;

(3) Wilful disregard or violation of any provision of this
 part or any rule adopted pursuant thereto; or



10

## H.B. NO. 22/2

1 (4) Material change of circumstances or conditions 2 existing at the time the permit was issued." SECTION 55. Section 174C-93, Hawaii Revised Statutes, is 3 4 amended to read as follows: 5 "[+]\$174C-93[+] Permits for construction or alteration. 6 No person shall construct or alter a stream diversion works, 7 other than in the course of normal maintenance, without first 8 obtaining a permit from the [commission.] department of 9 permitting. The [commission] department may impose such

11 construction or alteration of such stream diversion works will 12 not be inconsistent with the general plan and land use policies 13 of the State and the affected county. Nothing in this section 14 shall be construed to be inconsistent with part IV.

reasonable conditions as are necessary to assure that the

A person proposing to construct or alter a stream diversion work shall apply to the [commission] department of permitting for a permit authorizing such construction or alteration. The application shall contain the following:

19 (1) Name and address of the applicant;

20 (2) Name and address of the owner or owners of the land
21 upon which the works are to be constructed and a legal
22 description of such land;



ĩ

## H.B. NO. 22/2

1	(3)	Location of the work;
2	(4)	Engineering drawings showing the detailed plans of
3		construction;
4	(5)	Detailed specifications of construction;
5	(6)	Name and address of the person who prepared the plans
6		and specifications for construction;
7	(7)	Name and address of the person who will construct the
8		proposed work;
9	(8)	General purpose of the proposed work; and
10	(9)	Such other information as the [commission] department
11		may require."
12	SECT	ION 56. Section 174C-95, Hawaii Revised Statutes, is
13	amended to	o read as follows:
14	"[+];	§174C-95[] Abandonment. Any owner of any stream
15	diversion	work wishing to abandon or remove such work shall
16	first obta	ain a permit to do so from the [ <del>commission.</del> ] <u>department</u>
17	of permit	ting."
18	SECT	ION 57. Section 181-2, Hawaii Revised Statutes, is
19	amended by	y amending subsection (a) to read as follows:
20	"(a)	The [ <del>board of land and natural resources</del> ] <u>department</u>
21	of permit	ting shall grant upon application therefor being made
22	under sec	tion 181-4 a permit to strip mine, and may modify,
	HB LRB 10	-0598.doc

## H.B. NO. 22/2

1 suspend, revoke, or cancel the permit for cause as set forth in
2 subsection (b) of section 181-4. The board <u>of land and natural</u>
3 <u>resources</u> shall [also] have full power and authority to carry
4 out and administer this chapter and may designate one or more
5 agents to act in its stead."

6 SECTION 58. Section 181-3, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) It shall be unlawful for any person to engage in
9 strip mining without first obtaining from the [board of land and
10 natural resources] department of permitting a permit so to do,
11 in the form hereinafter provided."

12 SECTION 59. Section 181-4, Hawaii Revised Statutes, is 13 amended to read as follows:

14 "§181-4 Application for permit; fee. (a) Any operator desiring to engage in strip mining shall make written 15 16 application to the [board of land and natural resources] 17 department of permitting for a permit. Application for the permit shall be made upon the form furnished by the [board,] 18 19 department, which form shall require a description of the pit 20 with such particularity as the board of land and natural 21 resources may require, the approximate number of acres of 22 mineral land that will be mined annually, the approximate date



# H.B. NO. 2212

64

1	upon which mining operations shall commence and such other
2	information as the board may require. The application shall be
	intoimation as the board may require. The apprication shall be
3	accompanied by an annual fee determined by the number of acres
4	to be stripped in one year, as follows:
5	Less than ten acres\$100
6	Ten to twenty-four acres
7	Twenty-five to forty-nine acres
8	Fifty to ninety-nine acres
9	One hundred acres 500
10	The application together with the proper fee shall also be
11	accompanied by a bond meeting the requirements of section 181-5.
12	Upon receipt of the application, fee, and bond, the [board]
13	department of permitting shall issue a permit to the applicant
14	which, upon the applicant's filing the plan required by
15	subsection (a) of section 181-6 shall entitle the applicant for
16	a period of one year next following to engage in strip mining of
17	the land identified in the application in the manner and subject
18	to the provisions set forth in the plan. The [ <del>board</del> ] <u>department</u>
19	shall refuse to issue a permit if the application is not in
20	proper form or is not accompanied by the correct amount of the
21	fee or if the bond does not meet the requirements of section
22	181-5.

ŝ



## H.B. NO. 22/2

65

1 (b) Each permit shall be renewed each year by the [board] 2 department of permitting upon receipt by it of the required 3 annual fee and the filing of the bond required by section 181-5. 4 The permit, whether originally issued or renewed, shall remain 5 in effect until terminated through lapse of time, or suspended, 6 revoked, or cancelled by the [board] department following a 7 hearing as provided in subsection (b) of section 181-7, for failure of the operator to comply with the terms thereof or the 8 9 requirements of this chapter." 10 SECTION 60. Section 181-6, Hawaii Revised Statutes, is

11 amended by amending subsection (c) to read as follows: 12 "(C) At the completion of each year, and at the time the 13 operator makes application to the [board] department of 14 permitting for a renewal of the operator's permit under section 15 181-4, the operator shall submit in duplicate to the [board] 16 department a map in a form approved by the [board,] department, 17 setting forth such description as will identify the land from which the operator removed any mineral by strip mining during 18 19 the preceding permit year, with a legend upon the map showing 20 the number of acres affected and the extent that the topography 21 has been disturbed by the mining. The accuracy of the map may 22 be checked by the [board] department and if found to be



## H.B. NO. 22/2

1 erroneous, it shall be corrected by the operator prior to the 2 issuance of a renewal permit."

3 SECTION 61. Section 182-6, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§182-6 Exploration. Any person wishing to conduct 6 exploration on such state lands shall apply to the [board of land-and-natural resources] department of permitting who shall 7 8 issue exploration permits upon such terms and conditions as it 9 shall by regulation prescribe. During and as a result of the 10 exploration, no minerals of such types and quantity beyond that 11 reasonably required for testing and analysis shall be extracted 12 and removed from such state lands. Upon termination of the 13 exploration permit, the drill logs and the results of the assays 14 resulting from the exploration shall be turned over to the board 15 of land and natural resources and kept confidential by the 16 board. If the person shall not make application for a mining 17 lease of the lands within a period of six months from the date 18 the information is turned over to the board, the board in its 19 discretion need not keep the information confidential."

20 SECTION 62. Section 183C-3, Hawaii Revised Statutes, is 21 amended to read as follows:



# H.B. NO. 22/2

1	"[+]	183C-3[+] Powers and duties of the board and
2	departmen	t. The board and department shall:
. 3	(1)	Maintain an accurate inventory of lands classified
4		within the state conservation district by the state
5		land use commission, pursuant to chapter 205;
6	(2)	Identify and appropriately zone those lands classified
7		within the conservation district;
8	(3)	Adopt rules, in compliance with chapter 91 which shall
9		have the force and effect of law;
10	(4)	Set, charge, and collect reasonable fees in an amount
11		sufficient to defray the cost of processing
12		applications for zoning, use, and subdivision of
13		conservation lands;
14	(5)	Establish categories of uses or activities on
15		conservation lands, including allowable uses or
16		activities for which no permit shall be required;
17	(6)	Establish restrictions, requirements, and conditions
18		consistent with the standards set forth in this
19		chapter on the use of conservation lands; and
20	(7)	Establish and enforce land use regulations on
21		conservation district lands including the collection
22		of fines for violations of land use and terms and



# H.B. NO. 22/2

1 conditions of permits issued by the department [-] of 2 permitting." 3 SECTION 63. Section 183C-6, Hawaii Revised Statutes, is 4 amended to read as follows: 5 "§183C-6 Permits and site plan approvals. (a) The 6 department shall regulate land use in the conservation district 7 [by]; provided that the issuance of permits[-] shall be the 8 responsibility of the department of permitting. 9 (b) The department of permitting shall render a decision 10 on a completed application for a permit within one-hundred-11 eighty days of its acceptance by the department. If within one-12 hundred-eighty days after acceptance of a completed application 13 for a permit, the department shall fail to give notice, hold a 14 hearing, and render a decision, the owner may automatically put 15 the owner's land to the use or uses requested in the owner's 16 application. When an environmental impact statement is required 17 pursuant to chapter 343, or when a contested case hearing is 18 requested pursuant to chapter 91, the one-hundred-eighty days 19 may be extended an additional ninety days at the request of the 20 applicant. Any request for additional extensions shall be 21 subject to the approval of the [board.] department of

22 permitting.



## H.B. NO. 22/2

1 (c) The department of land and natural resources shall 2 hold a public hearing in every case involving the proposed use 3 of land for commercial purposes, at which hearing interested 4 persons shall be afforded a reasonable opportunity to be heard. 5 Public notice of the time and place of the hearing shall be 6 given at least once statewide and in the county in which the property is located. The notice shall be given not less than 7 twenty days prior to the date set for the hearing. The hearing 8 9 shall be held in the county in which the land is located and may 10 be delegated to an agent or representative of the board as may 11 otherwise be provided by law and in accordance with rules adopted by the board. For the purposes of its public hearing or 12 13 hearings, the department shall have the power to summon 14 witnesses, administer oaths, and require the giving of 15 testimony. As used in this subsection, the term "commercial 16 purposes" shall not include the use of land for utility 17 purposes.

(d) The department shall regulate the construction,
reconstruction, demolition, or alteration of any structure,
building, or facility [by]; provided that the issuance of site
plan approvals[-] shall be the responsibility of the department
of permitting.



# H.B. NO. 22/2

1 (e) Any permit for the reconstruction, restoration, 2 repair, or use of any Hawaiian fishpond exempted from the requirements of chapter 343 under section 183B-2 shall provide 3 for compliance with the conditions of section 183B-2." 4 5 SECTION 64. Section 183D-6, Hawaii Revised Statutes, is 6 amended by amending subsection (b) to read as follows: 7 Notwithstanding the provisions of any other law, the "(b) department of permitting may issue permits to any person to take 8 9 wildlife in any part of the State, for scientific, educational, 10 or propagation purposes, except as prohibited by chapter 195D 11 and subject to the rules adopted by the department [-] of land 12 and natural resources. The department of permitting may revoke 13 any permit for any infraction of the terms and conditions of the 14 permit. Any person whose permit has been revoked shall not be eligible to apply for another permit until the expiration of one 15 16 year from the date of revocation." 17 SECTION 65. Section 183D-22, Hawaii Revised Statutes, is 18 amended as follows: 19 1. By amending subsection (a) to read: 20 "(a) A hunting license shall be issued to a person by an 21 agent of the department of permitting upon:



#### H.B. NO. 22/2

71

1 Written application in the form prescribed by the (1)2 department; 3 Payment of a hunting license fee or any other hunting (2)4 related fee the board of land and natural resources 5 may require as provided in this chapter; except that payment of the fee shall be waived for any employee of 6 7 the department of land and natural resources who is 8 required to have a license to carry out duties of the 9 department; and 10 Showing of a valid Hawaii hunter education certificate (3)11 or written exemption issued under section 183D-28 or 12 upon showing proof of completion of an approved hunter 13 education course described in section 183D-28(b)(2). 14 The application shall require a statement under oath of the 15 applicant's name, address, domicile or residence, length of 16 residence in the State, age, race, height, weight, and color of 17 hair and eyes." 2. By amending subsection (c) to read: 18 19 "(c) The department of permitting shall suspend, refuse to 20 renew, reinstate, or restore, or deny any license if the 21 department has received certification from the child support 22 enforcement agency pursuant to section 576D-13 that the licensee



## H.B. NO. 22/2

1 or applicant is not in compliance with an order of support or
2 has failed to comply with a subpoena or warrant relating to a
3 paternity or child support proceeding. The department shall
4 issue, renew, restore, or reinstate such a license only upon
5 receipt of an authorization from the child support enforcement
6 agency, the office of child support hearings, or the family
7 court."

8 SECTION 66. Section 183D-34, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§183D-34 Private and commercial shooting preserve and farmer's license. (a) For the purpose of encouraging private 11 12 and commercial shooting preserves, game bird farming, and the domestication and propagation of game birds, a license 13 authorizing the licensee to engage in the business of conducting 14 a private and commercial shooting game preserve, or breeding and 15 16 selling game birds, as limited in this section, shall be issued 17 by the department of permitting pursuant to rules as may be 18 adopted by the department  $[\tau]$  of land and natural resources, to 19 any responsible resident person duly applying therefor. The 20 licenses shall expire on June 30 of each year.

(b) The fee for private and commercial shooting preserves
and farmer's licenses shall be set by the department[+] of land

### HB LRB 10-0598.doc
## H.B. NO. 22/2

<u>and natural resources;</u> provided that the department <u>of</u>
 <u>permitting may authorize any governmental agency to breed and</u>
 sell game birds, and may authorize any person to possess
 lawfully obtained game birds. The fees collected under this
 subsection shall be deposited into the wildlife revolving fund
 under section 183D-10.5."

7 SECTION 67. Section 183D-40, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "§183D-40 Permit; authority under. After first having 10 obtained a permit from the department  $[\tau]$  of permitting, a 11 licensee may obtain any number of game birds from any state game farm or from city park boards from another county, state, or 12 foreign jurisdiction, or, with the consent of the department, 13 14 transfer to another licensee any game bird taken or secured under this chapter. A licensee, after obtaining a permit may 15 16 sell, give away, or dispose of the eggs of any game bird, 17 lawfully in the licensee's possession, for propagation purposes 18 only."

19 SECTION 68. Section 183D-61, Hawaii Revised Statutes, is20 amended by amending subsection (b) to read as follows:

"(b) Except as provided in subsection (a)(4), the rules
shall require the person or persons seeking authority to apply



#### H.B. NO. 22/2

1 for and obtain a written permit from the department [-] of 2 permitting. The permits may prescribe terms and conditions the department deems necessary to prevent abuse of the authority 3 4 granted thereby, and may be canceled by the department, after 5 notice and hearing, for the violation of any term or condition." 6 SECTION 69. Section 183D-64, Hawaii Revised Statutes, is 7 amended to read as follows: 8 "§183D-64 Transportation of wild birds from the State 9 prohibited. No person shall transport or cause to be 10 transported by any means any wild bird from any part of the 11 State; provided that specimens of wild birds required for 12 scientific or educational purposes may be exported from the 13 State only when authorized under permits issued by the 14 department [-] of permitting." SECTION 70. Section 185-3, Hawaii Revised Statutes, is 15 amended by amending subsection (c) to read as follows: 16 17 "(c) The manager shall have the power and duty to: Prepare a plan for fire protection within the meaning 18 (1)19 of section [+]185-1.5[+]; 20 (2)Take necessary measures for the prevention, control, 21 and extinguishment of fires coming within the meaning

22

HB LRB 10-0598.doc

of this chapter;

# H.B. NO. 22/2

1	(3)	Issue fire warning notices during dry periods or other
2	3	seasons when fire hazards are great;
3	(4)	Close forest reserves, public hunting areas, wildlife
4	1	and plant sanctuaries, and natural area reserves to
5		public access or restrict their use during dry periods
6		when necessary, to reduce fire risk;
7	(5)	Close public access to areas in which fire control
8		operations are ongoing;
9	[ <del>-(6)-</del>	Issue burning permits as provided in section 185-7;
10	<del>-(7)</del> ]	(6) Receive, audit, and if correct, approve and
11		transmit to the department through the administrator,
12		all reports and accounts for expenses incurred in the
13		prevention, control, and extinguishment of any fires
14		which come within the meaning of this chapter;
15	[ <del>-(8)</del> -]	(7) Summon, when necessary, additional firefighting
16		assistance, equipment, supplies, or materials to
17		assist in fighting a fire;
18	[ <del>(9)</del> ]	(8) Assume full responsibility for directing the
19		control and extinguishment of any fire coming within
20		the meaning of this chapter, including directing the
21		control and extinguishment of any fire on or
22		threatening any lands included in section [+]185-



1	1.5[+] as may be provided for under mutual aid
2	agreements with other fire control agencies; and
3	[(10)] (9) Conduct educational work in the protection of
4	forest reserves, public hunting areas, wildlife and
5	plant sanctuaries, and natural area reserves against
6	fires[-] <u>;</u>
7	provided that the issuance of burning permits shall be the
8	responsibility of the department of permitting."
9	SECTION 71. Section 185-7, Hawaii Revised Statutes, is
10	amended by amending subsection (b) to read as follows:
11	"(b) The manager [will] shall minimize the threat of fires
12	[by maintaining control through the issuance and management of
13	burning permits or the establishment of] pursuant to rules
14	adopted by the department, pursuant to chapter $91[-]$ ; provided
15	that the issuance of burning permits shall be the responsibility
16	of the department of permitting. On other lands where the
17	department has direct fire protection responsibility, as
18	described in section [+]185-1.5[+], and on adjoining property
19	that offer a significant threat to those lands, the department
20	shall establish agreements with the department [ <del>[</del> ]of[ <del>]</del> ] health
21	to require burning plans acceptable to the managers and the
22	county fire chief. The issuance of permits shall be at the
	HB LRB 10-0598.doc

#### H.B. NO. 22/2

discretion of the issuing officer who shall take into account whether the issuance of a permit is compatible with safety. Holders of permits shall start no fires during a heavy wind or without sufficient help present to control same and shall maintain a constant watch over the fires until they have been extinguished."

7 SECTION 72. Section 187A-3.5, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "[4] \$187A-3.5[4] Aquaculturist license and license to sell 10 prohibited aquatic life. (a) Notwithstanding the provisions in subtitle 5 of title 12, or administrative rules adopted 11 12 thereunder, the department of permitting may issue to any qualified aquaculturist a license to fish, possess, rear, and 13 14 sell any aquatic life whose fishing, possession or sale is 15 prohibited by closed season, minimum size, or bag limit; provided that the qualified aquaculturist rears or reared the 16 17 aquatic life in an aquaculture facility.

(b) The department <u>of permitting</u> may further issue to any.
person a license to possess or sell or offer for sale any
aquatic life whose possession or sale is prohibited by a closed
season, minimum size, or bag limit; provided that the aquatic



life was reared by a licensed qualified aquaculturist in an
 aquaculture facility pursuant to subsection (a).
 (c) The department may adopt rules pursuant to chapter 91,

4 to implement this section by establishing the licenses, fees, 5 and terms or conditions necessary for the fishing, possession, 6 or sale of aquatic life whose fishing, possession, or sale is 7 prohibited by closed season, minimum size, or bag limit."

8 SECTION 73. Section 187A-6, Hawaii Revised Statutes, is
9 amended by amending subsection (b) to read as follows:

10 Notwithstanding the provisions of any other law, the "(b) department of permitting may issue permits, not longer than one 11 12 year in duration, to any person to take aquatic life, possess or use fishing gear, or engage in any feeding, watching, or other 13 14 such non-consumptive activity related to aquatic resources, 15 otherwise prohibited by law, in any part of the State, for 16 scientific, educational, management, or propagation purposes, subject to chapter 195D and subject to those restrictions the 17 department deems desirable. The department of permitting may 18 19 revoke any permit for any infraction of the terms and conditions 20 of the permit. Any person whose permit has been revoked shall not be eligible to apply for another permit until the expiration 21 22 of one year from the date of revocation."



SECTION 74. Section 188-23, Hawaii Revised Statutes, is
 amended to read as follows:

3 "§188-23 Possession or use of explosives, electrofishing 4 devices, and poisonous substances in state waters prohibited; 5 exception. (a) It is unlawful to possess or use on, in, or 6 near state waters, any explosives, electrofishing devices, or 7 any source of electrical energy with appurtenant devices for the 8 introduction of electricity into the water, for the purpose of 9 taking aquatic life, except under the terms and conditions of a 10 permit first obtained by the user from the department [-] of permitting. The department may issue permits for the possession 11 12 or use of electrofishing devices consistent with other legal 13 requirements.

14 (b) It is unlawful to deposit in, permit to pass into, or 15 place where it can pass into the state waters for the purpose of 16 taking aquatic life any of the following:

17 (1) Any petroleum, coal or oil tar, lampblack, aniline,
18 asphalt, bitumen, or residuary product of petroleum or
19 carbonaceous material or substance;

20 (2) Hypochlorous acid or any of its salts, including
21 bleaches commonly sold under various trade names, such
22 as Clorox and Purex, and bleaching powders;



## H.B. NO. 22/2

1	(3)	Preparations containing rotenone, tephrosin, saponins,
2		or plant materials from Barringtonia acutangula,
3		Barringtonia asiatica, Barringtonia racemosa,
4		Barringtonia longiracemosa, Barringtonia speciosa,
5		Careya australis, Cocculus ferrandianus, Cocculus
6		trilobus, Cocos nucifera, Hura crepitans, Hura
7		polyandra, Piscidia acuminata, Piscidia
8		carthagenensis, Piscidia erythrina, Planchonia careya,
9		Tephrosia purpurea, Tephrosia piscatoria, Wikstroemia;
10		and
11	(4)	Any other substance or material deleterious to aquatic
12		life;
13	except un	der the terms and conditions of a permit first obtained
14	by the us	er from the department[-] of permitting.
15	The	department of permitting may issue permits to allow the
16	possessio	n or use of stated amounts of these substances
17	poisonous	to aquatic life if the department deems the amount in
18	possessio	n is for legitimate purposes or in quantities too small
19	to harm a	quatic life.
20	The p	possession or use of these substances without a permit

21 by any person on, in, or near the water where aquatic life can



### H.B. NO. 22/2

be taken, or aboard any fishing vessel or boat is prima facie 1 2 evidence of a violation of this section. 3 The department of permitting may revoke any permit for any 4 infraction of the terms and conditions of the permit. Any person whose permit has been revoked shall not be eligible to 5 6 apply for another permit until the expiration of one year from 7 the date of revocation. Nothing in this section shall be held or construed to be an 8 9 amendment of the rules of the department of transportation." 10 SECTION 75. Section 188-31, Hawaii Revised Statutes, is 11 amended to read as follows: 12 "§188-31 Permits to take aquatic life for aquarium 13 **purposes.** (a) Except as prohibited by law, the department  $[\tau]$ 14 of permitting, upon receipt of a written application, may issue 15 an aquarium fish permit, not longer than one year in duration, to use fine meshed traps, or fine meshed nets other than throw 16 17 nets, for the taking of marine or freshwater nongame fish and 18 other aquatic life for aquarium purposes. 19

(b) Except as prohibited by law, the permits shall be
issued only to persons who can satisfy the department of
permitting that they possess facilities to and can maintain fish
and other aquatic life alive and in reasonable health.



### H.B. NO. 22/2

(c) It shall be illegal to sell or offer for sale any fish 1 2 and other aquatic life taken under an aquarium fish permit 3 unless those fish and other aquatic life are sold alive for 4 aquarium purposes. The department may adopt rules pursuant to chapter 91 for 5 6 the purpose of this section. 7 For the purposes of this section: (d) 8 (1)"Aquarium purposes" means to hold salt water fish, 9 freshwater nongame fish, or other aquatic life alive 10 in a state of captivity as pets, for scientific study, or for public exhibition or display, or for sale for 11 12 these purposes; and "Aquarium fish permit" means a permit issued by the 13 (2)14 [board] department of permitting for the use of fine mesh nets and traps to take salt water fish, 15 freshwater nongame fish, or other aquatic life for 16 17 aquarium purposes." SECTION 76. Section 188-34, Hawaii Revised Statutes, is 18 19 amended by amending subsection (b) to read as follows: 20 "(b) It is unlawful to take or kill fish by means of any 21 net in the waters of that portion of the bay of Hilo bounded by 22 the breakwater, a line from the outer end of the breakwater to HB LRB 10-0598.doc 82 

# H.B. NO. 22/2

Alealea Point, and the shoreline from Alealea Point to the inshore end of the breakwater; provided that commercial marine and pond operators with appropriate licenses issued by the department of <u>[land and natural resources]</u> permitting may take bait fish or pua, or persons may use throw net, opae net, crab net, or nehu net not longer than fifty feet to take nehu for family consumption or bait purposes."

8 SECTION 77. Section 188-35, Hawaii Revised Statutes, is
9 amended by amending subsections (c) through (e) to read as
10 follows:

11 "(c) An owner or operator of a fish pond may take pua or 12 other small fish, using nets, with a license obtained from the 13 department of [land and natural resources] permitting and under 14 rules the department <u>of land and natural resources</u> may adopt, 15 for the purpose of stocking the fish pond.

16 (d) Commercial marine licensees, with a license from the
17 department of [land and natural resources,] permitting, may take
18 nehu, iao, or any other species of baitfish as authorized by
19 section 188-45, using nets for bait purposes only.

20 (e) The department <u>of permitting</u> may issue licenses at its
21 discretion and at any time may revoke any or all licenses when,



84

1 in its judgment, the action is necessary to preserve the stock
2 of fish in the canals or waters."

3 SECTION 78. Section 188-37, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows: 4 5 "(c) The department of permitting may issue permits to 6 those persons with a valid commercial marine license issued 7 pursuant to section 189-2 who own or operate a vessel deemed 8 capable by the department for effectively taking marine life 9 within the Northwestern Hawaiian Islands, and whenever the 10 department deems necessary, it may limit the number of permits 11 issued to take marine life in any particular area and such . 12 limitation shall be on the basis of the order of application for 13 permits. Issuance of permits shall be limited to persons 14 utilizing methods or appliances approved by rule of the 15 department, which need not be legal elsewhere within the State, 16 and these permittees may take species of marine life, when and 17 as approved by rule of the department. The fee for the 18 Northwestern Hawaiian Islands taking permit shall be established 19 by the department by rules adopted in accordance with chapter 20 91.

21 The department <u>of permitting</u> may revoke any permit for any
22 infraction of the terms and conditions of the permit. Any



## H.B. NO. 22/2

85

1 person whose permit has been revoked shall not be eligible to 2 apply for another permit until the expiration of one year from 3 the date of revocation."

4 SECTION 79. Section 188-44, Hawaii Revised Statutes, is
5 amended by amending subsection (a) to read as follows:

6 "(a) The department <u>of permitting</u> may issue a license to 7 any owner or operator of a fish pond to lawfully catch the young 8 mullet known as pua during the closed season, for the purpose of 9 stocking the owner's or operator's pond, and lawfully sell pond 10 raised mullet during the closed season."

SECTION 80. Section 188-45, Hawaii Revised Statutes, is amended to read as follows:

13 "§188-45 Licenses for nehu, iao, and other baitfish. The 14 department of permitting may issue to commercial marine 15 licensees, as defined in chapter 187A, licenses to take nehu, 16 iao, or any other species for use as bait only. The department 17 of land and natural resources may adopt rules pursuant to 18 chapter 91 for the purposes of this section. The licenses may 19 be issued by the department of permitting upon terms and 20 conditions the department may deem necessary to conserve the 21 supply of the fish within state waters. The license may be 22 summarily revoked for a violation of any term or condition of



#### H.B. NO. 22/2

1 the license, and any or all licenses may be revoked summarily 2 whenever, in the judgment of the department, the action is necessary for the conservation of the fish." 3 4 SECTION 81. Section 188-50, Hawaii Revised Statutes, is 5 amended by amending subsection (a) to read as follows: 6 It is unlawful for any person, except children below "(a) nine years of age, to fish, take, or catch any introduced 7 8 freshwater game fish without first obtaining a license [-] from 9 the department of permitting. Children exempt by this section 10 may fish, provided they are accompanied by a licensed person. The department of land and natural resources may adopt rules 11 pursuant to chapter 91 necessary for the purposes of this 12 13 chapter and to set fees for freshwater game fish fishing." 14 SECTION 82. Section 188-53, Hawaii Revised Statutes, is 15 amended by amending subsection (b) to read as follows: 16 It is unlawful for any person to enter any area "(b) 17 established under this section without first obtaining a permit from the department  $[\tau]$  of permitting, if permits are required, 18 or to violate any rule adopted by the department of land and 19 20 natural resources governing same. 21 The department of permitting may revoke any permit for any

21 The department <u>of permitting</u> may revoke any permit for any
 22 infraction of the terms and conditions of the permit. Any



## H.B. NO. 22/2

1 person whose permit has been revoked shall not be eligible to 2 apply for another permit until the expiration of one year from 3 the date of revocation."

4 SECTION 83. Section 188-57, Hawaii Revised Statutes, is5 amended by amending subsection (a) to read as follows:

6 "(a) Any commercial marine dealer may sell, or any hotel,
7 restaurant, or other public eating house may serve, during the
8 closed season, Kona crabs or lobsters lawfully caught during the
9 open season by first procuring a license to do so[-] from the
10 department of permitting."

SECTION 84. Section 188-68, Hawaii Revised Statutes, is amended to read as follows:

13 "\$188-68 Permits for coral and rock with marine life 14 attached. The department of permitting may issue permits, as 15 authorized by this section, section 187A-6, chapter 183C, or 16 under rules adopted by the department of land and natural 17 resources pursuant to chapter 91 necessary for collecting live 18 stony corals or marine life visibly attached to rocks placed in 19 the water for a commercial purpose."

20 SECTION 85. Section 189-6, Hawaii Revised Statutes, is 21 amended to read as follows:



## H.B. NO. 22/2

1 "\$189-6 Licenses for marine life from waters not within 2 state jurisdiction. Any other provision of law to the contrary 3 notwithstanding, wherever the possession or sale of marine life or products within the State is prohibited as for instance by a 4 5 closed season, the prohibition shall not apply where the marine life or products have been taken from or caught outside of the 6 waters of the State and the possession or sale has been licensed 7 8 by the department of [land and natural-resources] permitting 9 under rules adopted by the department [-] of land and natural 10 resources. The department may make rules pursuant to chapter 91 governing the issuance, suspension, and revocation and all other 11 12 terms of the licenses. In addition, the department may specify 13 in the rules that any berried, undersized, or out-of-season 14 lobsters taken from the waters of the Northwestern Hawaiian 15 Islands may not be possessed and sold under authority of the license." 16

SECTION 86. Section 190-4, Hawaii Revised Statutes, isamended to read as follows:

19 "\$190-4 Permits. The department of land and natural
20 resources may, in any conservation district, prohibit the taking
21 of marine life or the engaging in activities prohibited by this
22 chapter and rules adopted thereunder, except by permit issued by



## H.B. NO. 22/2

[it] the department of permitting for scientific, education, or 1 2 other public purposes on such terms and conditions deemed 3 necessary to minimize any adverse effect within the conservation 4 district. The department of permitting may revoke any permit for any infraction of the terms and conditions of the permit. 5 6 Any person whose permit has been revoked shall not be eligible 7 to apply for another permit until the expiration of one year 8 from the date of revocation."

9 SECTION 87. Section 195D-4, Hawaii Revised Statutes, is
10 amended by amending subsections (f) and (g) to read as follows:
11 "(f) The department <u>of permitting</u> may issue temporary
12 licenses, under such terms and conditions as it may prescribe,
13 to allow any act otherwise prohibited by subsection (e), for
14 scientific purposes or to enhance the propagation or survival of
15 the affected species.

(g) After consultation with the endangered species
recovery committee, the [board] department of permitting may
issue a temporary license as a part of a habitat conservation
plan to allow a take otherwise prohibited by subsection (e) if
the take is incidental to, and not the purpose of, the carrying
out of an otherwise lawful activity; provided that:



# H.B. NO. 22/2

1	(1)	The applicant, to the maximum extent practicable,
2		shall minimize and mitigate the impacts of the take;
3	(2)	The applicant shall guarantee that adequate funding
4		for the plan will be provided;
5	(3)	The applicant shall post a bond, provide an
6		irrevocable letter of credit, insurance, or surety
7		bond, or provide other similar financial tools,
8		including depositing a sum of money in the endangered
9	*.	species trust fund created by section 195D-31, or
10		provide other means approved by the board, adequate to
11		ensure monitoring of the species by the State and to
12		ensure that the applicant takes all actions necessary
13		to minimize and mitigate the impacts of the take;
14	(4)	The plan shall increase the likelihood that the
15		species will survive and recover;
16	(5)	The plan takes into consideration the full range of
17		the species on the island so that cumulative impacts
18		associated with the take can be adequately assessed;
19	(6)	The measures, if any, required under section 195D-
20		21(b) shall be met, and the department has received
21		any other assurances that may be required so that the
22		plan may be implemented;



# H.B. NO. 22/2

1	(7)	The activity, which is permitted and facilitated by
2		issuing the license to take a species, does not
3		involve the use of submerged lands, mining, or
4		blasting;
5	(8)	The cumulative impact of the activity, which is
6		permitted and facilitated by the license, provides net
7		environmental benefits; and
8	(9)	The take is not likely to cause the loss of genetic
9		representation of an affected population of any
10		endangered, threatened, proposed, or candidate plant
11		species.
12	[ <del>Board_ap</del>	proval shall require an affirmative vote of not less
13	<del>than two-</del>	thirds of the authorized membership of the board after
14	<del>holding a</del>	-public hearing on the matter on the affected island.]
15	The depar	tment shall notify the public of a proposed license
16	under thi	s section through publication in the periodic bulletin
17	of the of	fice of environmental quality control and make the
18	applicati	on and proposed license available for public review and
19	comment f	or not less than sixty days prior to approval."
20	SECTION 88. Section 200-6, Hawaii Revised Statutes, is	
21	amended t	o read as follows:



1 "[+]§200-6[+] Limitation of private use of ocean waters 2 and navigable streams. (a) No person shall erect or place any 3 structure or similar object, or sink any type of watercraft or 4 other sizeable object, or abandon any type of watercraft or 5 other sizeable object, either sunk or unsunk, on or within the 6 ocean waters or navigable streams of the State without a written 7 permit from the department [-,] of permitting. The department may 8 require any person violating this section to remove any structure, similar object; watercraft, or other sizeable object 9 10 on or within the ocean waters or navigable streams of the State. 11 If any person fails to remove the same within a time limit set by the department, the department may effect the removal and 12 13 charge the person with the cost thereof. The department may 14 enforce compliance with this section by the use of any 15 appropriate remedy including, but not limited to, injunction or other equitable or legal process in the courts of the State. 16 (b) No person shall anchor, moor, or otherwise place any 17 18 vessel, houseboat, or other contrivance on or within the ocean 19 waters or navigable streams of the State without a permit from 20 the department [-] of permitting. This section shall not apply 21 to:

Vessels owned by the United States;



# H.B. NO. 22/2

1	(2) Vessels engaged in interstate or foreign commerce; or	
2	(3) Pleasure craft or fishing vessels temporarily anchored	
3	for a period of less than seventy-two hours.	
4	The department may require any person violating this section to	
5	remove any vessel, houseboat, or other contrivance from the	
6	ocean waters or navigable streams of the State. If any person	
7	fails to remove the same within the time limit set by the	
8	department, the department may effect the removal and charge the	
9	person with the cost thereof. The department may enforce	
10	compliance with this section by the use of any appropriate	
11	remedy, including, but not limited to, injunction or other	
12	equitable or legal process in the courts of the State. As used	
13	in this section:	
14	"Contrivance" means any human-made object or artificial	
15	arrangement not used or intended to be used for transportation	
16	which may be floated upon or suspended within the water.	
17	"Houseboat" means any vessel which is fitted for use as a	
18	permanent or temporary place of habitation, and is either	
19	stationary or capable of being moved by oars, sweeps, or towing.	
20	"Vessel" means every description of watercraft used or	
21	capable of being used as a means of transportation on water,	
22	including, but not limited to, power boats, ships, tugs, sailing	
	HB LRB 10-0598.doc	

## H.B. NO. 2212

vessels, barges, scows, lighters, ferry boats, pleasure craft,
 floating equipment, floating gear, dry docks, and any and all
 other watercraft.

The permittee shall pay fees to the department for the 4 (C) offshore mooring permit issued by the department [-] of 5 6 permitting. The fees shall be based on, but not limited to, the 7 use of the vessel, its effect on the waters and aquatic 8 resources of the State, and the administrative expenses incurred 9 by the department and other state agencies in administering 10 offshore mooring. All revenues collected under this section 11 shall be deposited in the boating special fund."

SECTION 89. Section 200-9, Hawaii Revised Statutes, isamended by amending subsection (b) to read as follows:

14 "(b) Vessels used for purposes of recreational boating activities which are also the principal habitation of the owners 15 16 shall occupy no more than one hundred twenty-nine berths at Ala 17 Wai boat harbor and thirty-five berths at Keehi boat harbor, 18 which is equal to fifteen per cent of the respective total 19 moorage space that was available as of July 1, 1976, at the Ala 20 Wai and Keehi boat harbors. Notwithstanding the purposes of 21 small boat harbors, moorage for commercial vessels and 22 commercial vessel activities is not permitted in the Ala Wai and



#### H.B. NO. 2212

Keehi boat harbors; provided that commercial catamarans, for 1 2 which valid permits or registration certificates have been issued by the department of permitting which allow the 3 4 catamarans to operate upon Waikiki shore waters for hire, may be 5 permitted to moor in Ala Wai boat harbor at facilities leased 6 for commercial purposes. The department shall allow a sole 7 proprietor of a catamaran operating with a valid commercial 8 registration certificate issued by the department of permitting 9 for a commercial catamaran to land its commercial catamaran on Waikiki beach and to operate upon Waikiki shore waters for hire, 10 11 to transfer the ownership of the vessel from personal ownership to corporate or other business ownership without terminating the 12 13 right to operate under the commercial registration certificate. 14 The existing commercial registration certificate shall be 15 reissued in a timely manner in the name of the transferee 16 corporation or other business entity. No commercial 17 registration issued to an owner of a commercial catamaran 18 operating, in the Waikiki area shall be denied or revoked without 19 a prior hearing held in accordance with chapter 91." 20 SECTION 90. Section 200-10, Hawaii Revised Statutes, is

21 amended as follows:

22 1. By amending subsection (a) to read:



## H.B. NO. 2212

96

1 "(a) No person shall moor a vessel in a state small boat
2 harbor without:

- 3 (1) First obtaining a use permit from the department[+] of
  4 permitting; and
- 5 (2) Being the owner of the vessel."
- 6 2. By amending subsection (d) to read:

"(d) The department of permitting shall not renew or issue 7 a permit to a person who is not the owner of the vessel which is 8 9 moored or which the person desires to moor in a state small boat 10 harbor. Any individual who is an owner of a vessel used for commercial purposes, including commercial fishing as a principal 11 12 means of livelihood, and possesses a valid mooring permit or 13 commercial permit, or both, in accordance with the rules adopted 14 by the chairperson pursuant to chapter 91, may transfer 15 ownership of the vessel from personal ownership to corporate or 16 other business ownership without terminating the right to moor or operate the vessel under the permit or permits. The existing 17 18 permit or permits shall be reissued in the name of the transferee corporation or other business entity. 19

20 For the purposes of this section, "person" means any 21 individual, firm, partnership, corporation, trust, association, 22 joint venture, organization, institution, or any other legal



#### H.B. NO. 22/2

97

1 entity, and "owner" includes the legal owner of a vessel where there is no security interest held by anyone on the vessel, a 2 3 buyer under a purchase money security interest, a debtor under any security interest, a demise charterer of a vessel, or a 4 5 lessee or charterer of a vessel under a lease or charter which 6 provides the lessee or charterer with exclusive right to possession of the vessel to the exclusion of the lessor or the 7 8 person from whom the vessel is chartered. No permittee shall be allowed to moor a leased vessel in a berth unless the terms of 9 10 the lease are set at fair market value. A "legal owner" 11 includes a person who holds unencumbered title to a vessel or is 12 a secured party under a security interest in the vessel. An 13 owner who is issued a permit to moor a vessel in a state small 14 boat harbor shall notify the department in writing of a transfer 15 of interest or possession in the vessel within seven days of 16 transfer.

17 Any person owning an interest in a corporation or other
18 business entity possessing a valid commercial permit issued by
19 the department[7] of permitting, in accordance with rules
20 adopted by the chairperson pursuant to chapter 91, may transfer
21 any or all stock or other interest to another person without
22 terminating the right of the corporation or business entity to



# H.B. NO. 22/2

1	retain or renew its commercial permit or any other permit issued	
2	to it by the department [+] of permitting; provided that:	
3	(1) The corporation or business entity has been engaged in	
4	the same commercial vessel activity, as defined in	
5	section 200-9, for a minimum of one year; and	
6	(2) The seller shall pay the department a business	
7	transfer fee based on the passenger-carrying capacity	
8	of the vessels owned or operated by the corporation or	
9	business entity as provided by rules adopted by the	
10	chairperson pursuant to chapter 91.	
11	Any person possessing a commercial permit shall be required to	
12	meet minimum revenue standards, as a condition of retaining or	
13	renewing the commercial permit."	
14	SECTION 91. Section 200-37, Hawaii Revised Statutes, is	
15	amended as follows:	
16	1. By amending subsection (j) to read:	
17	"(j) All commercial use and operator permits issued by the	
18	department of permitting for commercial thrill craft, and	
19	parasailing activities shall be fully transferable upon the	
20	payment of a business transfer fee in an amount determined by	
21	the department, which shall be no greater than six per cent of	
22	the transfer price; provided that no more than one transfer	
	HB LRB 10-0598.doc 200	

# H.B. NO. 22/2

every two years shall be authorized with respect to any given
 permit, except transfers between family members for the purpose
 of business reorganization."

4 2. By amending subsections (1) and (m) to read:
5 "(1) All new commercial use and operator permits issued by
6 the department of permitting for commercial thrill craft, and
7 parasailing activities after June 18, 1996 shall be issued at
8 public auction.

9 (m) Each commercial use and operator permit issued by the 10 department <u>of permitting</u> for commercial thrill craft, and 11 parasailing activities shall be valid for five years from the 12 date of issuance and shall be renewed by the department <u>of</u> 13 <u>permitting</u> for additional five-year periods, not to exceed a 14 maximum of twenty years; provided that the permit holder shall 15 have met the following conditions:

16 (1) The permit holder shall be in compliance with all17 applicable rules of the department;

18 (2) The permit holder shall have timely filed and paid all
19 applicable state taxes during the year; and
20 (3) The permit holder shall have a good safety record
21 regarding the operation of a commercial thrill craft,
22 or parasailing activity."



## H.B. NO. 22/2

SECTION 92. Section 200-39, Hawaii Revised Statutes, is 1 2 amended by amending subsection (c) to read as follows: 3 "(c) Permits issued by the department of permitting for the commercial operation of ocean use activities in Kaneohe Bay 4 5 shall be limited to the number and locations, by permit type and 6 vessel and passenger capacity, provided in the Kaneohe Bay 7 master plan developed pursuant to Act 208, Session Laws of Hawaii 1990, until applicable rules consistent with the master 8 plan are adopted by the department; provided that the passenger 9 10 capacity for snorkeling tours and glassbottom boat tours shall 11 be set through rules adopted pursuant to chapter 91. No thrill craft permit may be transferred after June 21, 1998; provided 12 that transfers of permits may be made at any time between family 13 14 members."

15 SECTION 93. Effective July 1, 2011, the functions and 16 employees relating to permits and licenses of the department of 17 land and natural resources shall be transferred to the 18 department of permitting.

19

#### PART IV

20 SECTION 94. All rights, powers, functions, and duties of21 the department of agriculture and the department of land and



natural resources relating to permitting are transferred to the
 department of permitting.

All officers and employees whose functions are transferred
by this Act shall be transferred with their functions and shall
continue to perform their regular duties upon their transfer,
subject to the state personnel laws and this Act.

7 No officer or employee of the State having tenure shall suffer any loss of salary, seniority, prior service credit, 8 9. vacation, sick leave, or other employee benefit or privilege as 10 a consequence of this Act, and such officer or employee may be 11 transferred or appointed to a civil service position without the necessity of examination; provided that the officer or employee 12 13 possesses the minimum gualifications for the position to which transferred or appointed; and provided that subsequent changes 14 15 in status may be made pursuant to applicable civil service and 16 compensation laws.

17 An officer or employee of the State who does not have 18 tenure and who may be transferred or appointed to a civil 19 service position as a consequence of this Act shall become a 20 civil service employee without the loss of salary, seniority, 21 prior service credit, vacation, sick leave, or other employee 22 benefits or privileges and without the necessity of examination;



#### H.B. NO. 2212

1 provided that such officer or employee possesses the minimum 2 qualifications for the position to which transferred or 3 appointed.

4 If an office or position held by an officer or employee 5 having tenure is abolished, the officer or employee shall not 6 thereby be separated from public employment, but shall remain in 7 the employment of the State with the same pay and classification 8 and shall be transferred to some other office or position for which the officer or employee is eligible under the personnel 9 10 laws of the State as determined by the head of the department or 11 the governor.

SECTION 95. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the department of agriculture or the department of land and natural resources relating to the functions transferred to the department of permitting shall be transferred with the functions to which they relate.

19

#### PART V

20 SECTION 96. Statutory material to be repealed is bracketed21 and stricken. New statutory material is underscored.



6

## H.B. NO. 22/2

SECTION 97. This Act does not affect rights and duties
 that matured, penalties that were incurred, and proceedings that
 were begun before its effective date.

4 SECTION 98. Except as specifically provided in this Act,
5 this Act shall take effect upon its approval.

INTRODUCED BY:

millette

Sabara Manune to 103

JAN 2 0 2010



**Report Title:** . Department of Permitting; DOA; DLNR

#### Description:

Establishes a state department of permitting. Transfers functions and duties relating to permits and licenses from department of agriculture and department of land and natural resources to department of permitting.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

