### A BILL FOR AN ACT

RELATING TO ENFORCEMENT ACTIONS BY THE BOARD OF LAND AND NATURAL RESOURCES.

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

- 1 SECTION 1. Chapter 199, Hawaii Revised Statutes, is
- 2 amended by adding a new section to be appropriately designated
- 3 and to read as follows:
- 4 "§199- Additional powers of board of land and natural
- 5 resources to enforce final orders. (a) The board of land and
- 6 natural resources may suspend or revoke a license or permit
- 7 issued under the authority of the board or the department of
- 8 land and natural resources, or deny any application for the
- 9 issuance or renewal of such a license or permit, if the board
- 10 finds that the licensee, permittee, or applicant has failed to
- comply with a final order of the board issued under title 12 or 11
- 12 chapter 6D or 6E, or any rule adopted thereunder, until
- 13 satisfactory compliance is certified by the board or its
- 14 designated agent.
- 15 (b) The board of land and natural resources shall direct
- 16 the appropriate county motor vehicle authorities to deny any
- **17** application for the registration of a motor vehicle upon



1	notificat	ion that the owner of the vehicle has failed to pay a
2	fine purs	uant to a final decision and order by the board under
3	title 12	or chapter 6D or 6E, or any rule adopted thereunder;
4	provided	that the board shall first adopt administrative rules
5	pursuant	to chapter 91 that:
6	(1)	Identify the types of violations that warrant denial
7		of a registration;
8	(2)	Specify the procedures to be followed to ensure that
9		administrative procedures for processing alleged
10		violations at the hearings level and administrative
11		appeals are exhausted prior to issuance of a final
12	-	decision and order that will be forwarded to the
13		appropriate county director of finance; and
14	(3)	Specify the method of notifying the director of
15		finance of the appropriate county."
16	SECT	ION 2. Chapter 286, Hawaii Revised Statutes, is
17	amended b	y adding to part III a new section to be appropriately
18	designate	d and to read as follows:
19	" <u>§28</u>	6- Denial of application for failure to discharge a
20	fine impo	sed by final decision and order of the board of land
21	and natur	al resources. In addition to any other acts or

- 1 conditions provided by law, pursuant to section 171-6(21) and
- 2 199- , the director of finance of the appropriate county shall
- 3 deny any application for registration of a motor vehicle if the
- 4 director of finance has received from the board of land and
- 5 natural resources notification of failure to pay a fine due
- 6 under a final decision and order by the board of land and
- 7 natural resources issued under title 12 or chapter 6D or 6E, or
- 8 any rule adopted thereunder. Unless otherwise provided by law,
- 9 the director of finance shall not approve the application for
- 10 registration of a motor vehicle until receipt of certification
- 11 of satisfactory compliance from the board of land and natural
- 12 resources or its designated agent pursuant to section 171-
- **13** 6 (20)."
- 14 SECTION 3. Section 171-6, Hawaii Revised Statutes, is
- 15 amended to read as follows:
- 16 "\$171-6 Powers. Except as otherwise provided by law, the
- 17 board of land and natural resources shall have the powers and
- 18 functions granted to the heads of departments and the board of
- 19 land and natural resources under chapter 26.
- In addition to the foregoing, the board may:
- 21 (1) Adopt a seal;

1	(2)	Administer oaths;
2	(3)	Prescribe forms of instruments and documents;
3	(4)	Adopt rules which, upon compliance with chapter 91,
4		shall have the force and effect of law;
5	(5)	Set, charge, demand, and collect reasonable fees for
6		the preparation of documents to be issued, for the
7		surveying of public lands, and for the issuing of
8		certified copies of its government records, which
9		fees, when collected, shall be deposited into the
10		state general fund, unless otherwise specified in this
11		chapter;
12	(6)	Establish additional restrictions, requirements, or
13		conditions, not inconsistent with those prescribed in
14		this chapter, relating to the use of particular land
15		being disposed of, the terms of sale, lease, license,
16		or permit, and the qualifications of any person to
17		draw, bid, or negotiate for public land;
18	(7)	Reduce or waive the lease rental at the beginning of
19		the lease on any lease of public land to be used for
20		any agricultural or pastoral use, or for resort,

commercial, industrial, or other business use where

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1		the land being leased requires substantial
2		improvements to be placed thereon; provided that
3		[such] the reduction or waiver shall not exceed two
4		years for land to be used for any agricultural or
5		pastoral use, or exceed one year for land to be used
6		for resort, commercial, industrial, or other business
7		use;
8	(8)	Delegate to the chairperson or employees of the
9		department of land and natural resources, subject to
10		the board's control and responsibility, [such] powers
11		and duties as may be lawful or proper for the
12		performance of the functions vested in the board;
13	(9)	Use arbitration under chapter 658A to settle any
14		controversy arising out of any existing or future
15		lease;
16	(10)	Set, charge, and collect reasonable fees in an amount
17		sufficient to defray the cost of performing or
18		otherwise providing for the inspection of activities
19		permitted upon the issuance of a land license
20		involving a commercial purpose;

1	( 1 1 )	Appo	int masters or hearing officers to conduct public
2		hear	ings as provided by law and under [ <del>such</del> ]
3		cond	itions as the board by rules shall establish;
4	(12)	Brin	g [ <del>such</del> ] actions as may be necessary to remove or
5		reme	dy encroachments upon public lands. Any person
6		caus	ing an encroachment upon public land shall:
7		(A)	Be fined not more than \$1,000 a day for the first
8			offense;
9		(B)	Be fined not less than \$1,000 nor more than
10			\$4,000 per day upon the second offense and
11			thereafter;
12		(C)	If required by the board, restore the land to its
13			original condition if altered and assume the
14			costs thereof;
15		(D)	Assume [such] costs [as may] that result from
16			adverse effects from [such] restoration; and
17		(E)	Be liable for administrative costs incurred by
18			the department and for payment of damages;
19	(13)	Set,	charge, and collect interest and a service charge
20		on d	elinquent payments due on leases, sales, or other
21		acco	unts. The rate of interest shall not exceed one

1		per cent a month and the service charge shall not
2		exceed \$50 a month for each delinquent payment;
3		provided that the contract shall state the interest
4		rate and the service charge and be signed by the party
5		to be charged;
6	(14)	Set, charge, and collect additional rentals for the
7		unauthorized use of public lands by a lessee,
8		licensee, grantee, or permittee who is in violation of
9		any term or condition of a lease, license, easement,
10		or revocable permit, retroactive to the date of the
11		occurrence of the violation. [Such] The amounts shall
12		be considered delinquent payments and shall be subject
13		to interest and service charges as provided in
14		paragraph (13);
15	(15)	Set, charge, and collect reasonable fines for
16		violation of [this chapter] title 12 or chapter 6D or
17		6E, or any rule adopted thereunder. Any person
18		engaging in any prohibited use of public lands or
19		conducting any prohibited activity on public lands, or
20		violating any of the other provisions of [this
21		chapter] title 12 or chapter 6D or 6E, or any rule

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1	ааор	ted energy and which violation a penalty is
2	not	otherwise provided, shall be:
3	(A)	Fined not more than \$5,000 per violation for a
4		first violation or a violation beyond five years
5		of the last violation; provided that, after
6		written or verbal notification from the
7		department, an additional \$1,000 per day per
8		violation may be assessed for each day in which
9		the violation persists;
10	(B)	Fined not more than \$10,000 per violation for a
11		second violation within five years of the last
12		violation; provided that, after written or verbal
13		notification from the department, an additional
14		\$2,000 per day per violation may be assessed for
15		each day in which the violation persists;
16	(C)	Fined not more than \$20,000 per violation for a
17		third or subsequent violation within five years
18		of the last violation; provided that, after
19		written or verbal notification from the
20		department, an additional \$4,000 per day per

1	violation	may	be	assesse	d for	each	day	in	which
2	the violat	cion	per	rsists;	and				

(D) Liable for administrative costs and expenses incurred by the department and for payment for damages, including but not limited to natural resource damages.

In addition to the fines, administrative costs, and damages provided for hereinabove, for damage to or theft of natural resources, the board may also set, charge, and collect a fine that, in its discretion, is appropriate considering the value of the natural resource that is damaged or the subject of the theft. In arriving at an appropriate fine, the board may consider the market value of the natural resource damaged or taken and any other factor it deems appropriate, such as the loss of the natural resource to its natural habitat and environment and the cost of restoration or replacement. The remedies provided for in this paragraph are cumulative and in addition to any other remedies allowed by law.

### S.B. NO. 5.D. 2

1		No person shall be sanctioned pursuant to this section
2		for the exercise of native Hawaiian gathering rights
3		and traditional cultural practices as authorized by
4		law or as permitted by the department pursuant to
5		article XII, section 7, of the Hawaii state
6		constitution;
7	(16)	Issue revenue bonds, subject to the approval of the
8		legislature. All revenue bonds shall be issued
9		pursuant to part III of chapter 39, except as provided
10		in this chapter. All revenue bonds shall be issued in
11		the name of the department and not in the name of the
12		State. The final maturity date of the revenue bonds
13		may be any date not exceeding thirty years from the
14		date of issuance;
15	(17)	Pledge or assign all or any part of the receipts and
16		revenues of the department. The revenue bonds shall
17		be payable from and secured solely by the revenue
18		derived by the department from the industrial park or
19		parks for which the bonds are issued;
20	(18)	Reimburse the state general fund for debt service on
21		general obligation bonds or reimbursable general

### S.B. NO. 5127 S.D. 2

1		obligation bonds issued by the State for purposes of
2		this chapter;
3	(19)	Notwithstanding part II of chapter 205A to the
4		contrary, plan, design, construct, operate, and
5		maintain any lands or facilities under the
6		jurisdiction of the division of boating and ocean
7		recreation of the department without the need to
8		obtain a special management area minor permit or
9		special management area use permit; [and]
10	(20)	Suspend or revoke a license or permit issued under the
11		authority of the board or department, or deny any
12		application for the issuance or renewal of such a
13		license or permit, if the board finds that the
14		licensee, permittee, or applicant has failed to comply
15		with a final order of the board issued under title 12
16		or chapter 6D or 6E, or any rule adopted thereunder,
17		until satisfactory compliance is certified by the
18		board or its designated agent;
19	(21)	Direct the appropriate county motor vehicle
20		authorities to deny any application for the
21		registration of a motor vehicle upon notification that

1		the	owner of the vehicle has failed to pay a fine
2		purs	uant to a final decision and order by the board
3		unde	r title 12 or chapter 6D or 6E, or any rule
4		adop	ted thereunder; provided that the board shall
5		firs	t adopt administrative rules pursuant to chapter
6		91 t	hat:
7		(A)	Identify the types of violations that warrant
8			denial of a registration;
9		<u>(B)</u>	Specify the procedures to be followed to ensure
10			that administrative procedures for processing
11			alleged violations at the hearings level and
12			administrative appeals are exhausted prior to
13			issuance of a final decision and order; and
14		<u>(C)</u>	Specify the method of notifying the director of
15			finance of the appropriate county; and
16	[ <del>(20)</del> ]	(22)	Do any and all things necessary to carry out its
17		purp	oses and exercise the powers granted in this
18		chap	ter."
19	SECT	ION 4	. Section 171-6.4, Hawaii Revised Statutes, is
20	amended to	o rea	d as follows:

1	"[+]§171-6.4[+] General administrative penalties. (a)
2	Except as otherwise provided by law, the board or its authorized
3	representative by proper delegation may set, charge, and collect
4	administrative fines or bring legal action to recover
5	administrative fees and costs as documented by receipts or
6	affidavit, including attorneys' fees and costs; or bring legal
7	action to recover administrative fines, fees, and costs,
8	including attorneys' fees and costs, or payment for damages
9	resulting from a violation of [this chapter] title 12 or chapter
10	6D or 6E, or any rule adopted [pursuant to this chapter.]
11	thereunder. The administrative fines shall be as follows:
12	(1) For a first violation, a fine of not more than \$2,500;
13	(2) For a second violation within five years of a previous
14	violation, a fine of not more than \$5,000;
15	(3) For a third or subsequent violation within five years
16	of the last violation, a fine of not more than
17	\$10,000.
18	(b) Any criminal action against a person for any violation
19	of [this chapter] title 12 or chapter 6D or 6E, or any rule
20	adopted [pursuant to this chapter.] thereunder, shall not be
21	deemed to preclude the State from pursuing civil legal action

- 1 against that person. Any civil legal action against a person to
- 2 recover administrative fines and costs for any violation of
- 3 [this chapter] title 12 or chapter 6D or 6E, or any rule adopted
- 4 [pursuant to this chapter] thereunder, shall not be deemed to
- 5 preclude the State from pursuing any criminal action against
- 6 that person. Each day of each violation shall constitute a
- 7 separate offense."
- 8 SECTION 5. This Act does not affect rights and duties that
- 9 matured, penalties that were incurred, and proceedings that were
- 10 begun before its effective date.
- 11 SECTION 6. Statutory material to be repealed is bracketed
- 12 and stricken. New statutory material is underscored.
- 13 SECTION 7. This Act shall take effect upon its approval.

#### Report Title:

Cultural and Natural Resources; Civil Enforcement of Resource Violations

#### Description:

Provides alternative civil enforcement options that may be utilized by the board of land and natural resources in the processing of natural and cultural resource violation cases. (SD2)

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