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## A BILL FOR AN ACT

RELATING TO CONSERVATION MITIGATION BANKS.

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

1           SECTION 1. The legislature finds that mitigation banks  
2 restore, create, enhance, or preserve habitats or resources to  
3 recover the ecological functions, services, and values of  
4 resources lost by adverse impacts to other similar habitats. By  
5 2001, the federal government and at least thirty-one states  
6 developed successful mitigation bank guidelines and programs.  
7 Mitigation banking has a number of advantages over traditional  
8 permittee-responsible compensatory mitigation because of the  
9 ability of mitigation banking programs to:

10           (1) Reduce uncertainty over whether the compensatory  
11           mitigation will be successful in offsetting project  
12           impacts;

13           (2) Assemble and apply extensive financial resources,  
14           planning, and scientific expertise not always  
15           available to many permittee-responsible compensatory  
16           mitigation proposals;



1 (3) Reduce permit processing times and provide more cost-  
2 effective compensatory mitigation opportunities; and

3 (4) Enable the efficient use of limited agency resources  
4 in the review and compliance monitoring of  
5 compensatory mitigation projects because of  
6 consolidation.

7 Mitigation banks would serve as a mechanism to restore or  
8 replace resources and ecological functions of habitats either  
9 prospectively or after they have been damaged.

10 The purpose of this Act is to authorize the department of  
11 land and natural resources to establish and operate conservation  
12 mitigation banks to restore, create, enhance, or preserve  
13 conservation habitats or resources as compensatory mitigation  
14 where a person is required to provide compensatory mitigation  
15 prospectively and the use of banked mitigation is approved by  
16 the agency requiring mitigation, or for past damages to  
17 conservation habitats or resources.

18 SECTION 2. The Hawaii Revised Statutes is amended by  
19 adding a new chapter to be appropriately designated and to read  
20 as follows:



1 "CHAPTER

2 CONSERVATION MITIGATION BANKS

3 § -1 **Conservation mitigation banking.** The department of  
4 land and natural resources is authorized to establish and  
5 operate conservation mitigation banks, the purpose of which  
6 shall be to restore, create, enhance, or preserve conservation  
7 habitats or resources as compensatory mitigation where a person  
8 is required to provide compensatory mitigation prospectively and  
9 the use of banked mitigation is approved by the agency requiring  
10 mitigation, or for past damages to conservation habitats or  
11 resources.

12 § -2 **Conservation mitigation banking administrator.** The  
13 department of land and natural resources may contract with a  
14 third-party administrator that specializes in mitigation banking  
15 to operate and manage the conservation mitigation banks in  
16 section -1.

17 § -3 **Rules.** The department of land and natural  
18 resources may adopt rules pursuant to chapter 91 necessary for  
19 the purposes of this chapter."



# H.B. NO. 1351

1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: *Kim Muter*

JAN 27 2021



# H.B. NO. 1351

**Report Title:**

DLNR; Conservation Mitigation Bank

**Description:**

Authorizes the department of land and natural resources to establish and operate conservation mitigation banks to restore, create, enhance, or preserve conservation habitats or resources as compensatory mitigation. Authorizes the department to contract a third-party administrator for the operation of the mitigation banks.

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