

GOV. MSG. NO. (37(

#### EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

July 7, 2023

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Second State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813  The Honorable Scott K. Saiki Speaker, and Members of the House of Representatives
 Thirty-Second State Legislature
 State Capitol, Room 431
 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1088, without my approval and with the statement of objections relating to the measure.

HB1088

RELATING TO DECLARATION OF WATER SHORTAGE AND EMERGENCY.

Sincerely,

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Josh Green, M.D. Governor, State of Hawai'i

## EXECUTIVE CHAMBERS HONOLULU July 7, 2023

### STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1088

Honorable Members Thirty-Second Legislature State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1088, entitled "A Bill for an Act Relating to Declaration of Water Shortage and Emergency."

The purpose of this bill is to amend the conditions, manner, and areas in which the Commission on Water Resource Management (CWRM) of the Department of Land and Natural Resources can declare and provide notice of water shortages and emergencies.

This bill is objectionable because the current provisions of the State Water Code, found in chapter 174C, Hawaii Revised Statutes (HRS), sufficiently protect our water resources in an emergency. The CWRM is tasked in section 174C-62, HRS, with formulating a plan for implementation during periods of water shortage and is already authorized by statute to declare water shortages and impose restrictions. I share some of the concerns raised by the Board of Water Supply of the City and County of Honolulu about the amendments to the State Water Code made in this bill, and I have concluded that until the CWRM completes its plan, thereby establishing a foundation for emergency actions, it is premature to substantively amend the State Water Code.

For the foregoing reasons, I am returning House Bill No. 1088 without my approval.

Respectfully,

Joh Dree-

JOSH GREEN, M.D. Governor of Hawai'i



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HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII

A BILL FOR AN ACT

RELATING TO DECLARATION OF WATER SHORTAGE AND EMERGENCY.

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

SECTION 1. Section 174C-5, Hawaii Revised Statutes, is
 amended to read as follows:

3 "\$174C-5 General powers and duties. The general
4 administration of the state water code shall rest with the
5 commission on water resource management. In addition to its
6 other powers and duties, the commission:

- 7 (1) Shall carry out topographic surveys, research, and
  8 investigations into all aspects of water use and water
  9 quality;
- 10 (2)Shall designate water management areas for regulation 11 under this chapter where the commission, after the 12 research and investigations mentioned in paragraph (1), shall consult with the appropriate county council 13 and county water agency, and after public hearing and 14 15 published notice, finds that the water resources of 16 the areas are being threatened by existing or proposed withdrawals of water: 17

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(3) Shall establish an instream use protection program
 designed to protect, enhance, and reestablish, where
 practicable, beneficial instream uses of water in the
 State;

5 (4) May contract and cooperate with the various agencies
6 of the federal government and with state and local
7 administrative and governmental agencies or private
8 persons;

May enter, after obtaining the consent of the property 9 (5) 10 owner, at all reasonable times upon any property other than dwelling places for the purposes of conducting 11 12 investigations and studies or enforcing any of the 13 provisions of this code, being liable, however, for 14 actual damage done. If consent cannot be obtained, 15 reasonable notice shall be given prior to entry; 16 Shall cooperate with federal agencies, other state (6) agencies, county or other local governmental 17 18 organizations, and all other public and private 19 agencies created for the purpose of utilizing and 20 conserving the waters of the State, and assist these 21 organizations and agencies in coordinating the use of

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1		their facilities and participate in the exchange of
2		ideas, knowledge, and data with these organizations
3		and agencies. For this purpose, the commission shall
4		maintain an advisory staff of experts;
5	(7)	Shall prepare, publish, and issue printed pamphlets
6		and bulletins as the commission deems necessary for
7		the dissemination of information to the public
8	•	concerning its activities;
9	(8)	May appoint and remove agents, including hearings
10		officers and consultants, necessary to carry out the
11		purposes of this chapter, who may be engaged by the
12		commission without regard to the requirements of
13		chapter 76 and section 78-1;
14	(9)	May hire employees in accordance with chapter 76;
15	(10)	May acquire, lease, and dispose of real and personal
16		property as may be necessary in the performance of its
17		functions, including the acquisition of real property
18		for the purpose of conserving and protecting water and
19		water related resources as provided in section 174C-
20		14;

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Shall identify, by continuing study, those areas of 1 (11)the State where salt water intrusion is a threat to 2 3 fresh water resources and report its findings to the appropriate county mayor and council and the public; 4 Shall provide coordination, cooperation, or approval 5 (12) necessary to the effectuation of any plan or project 6 7 of the federal government in connection with or 8 concerning the waters of the State. The commission 9 shall approve or disapprove any federal plans or 10 projects on behalf of the State. No other agency or department of the State shall assume the duties 11 12 delegated to the commission under this paragraph; 13 except that the department of health shall continue to 14 exercise the powers vested in it with respect to water 15 quality, and except that the department of business, 16 economic development, and tourism shall continue to 17 carry out its duties and responsibilities under 18 chapter 205A;

19 (13) Shall plan and coordinate programs for the
20 development, conservation, protection, control, and
21 regulation of water resources, based upon the best

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1		available information, and in cooperation with federal
2		agencies, other state agencies, county or other local
3		governmental organizations, and other public and
4		private agencies created for the utilization and
5		conservation of water;
6	(14)	Shall catalog and maintain an inventory of all water
7		uses and water resources; [and]
8	(15)	Shall determine appurtenant water rights, including
9		but not limited to the quantification of the amount of
10		water and the specification of the water course or the
11		means of access and delivery entitled to by that
12		right, which determination shall be valid for purposes
13		of this chapter $[-]$ ; and
14	(16)	May declare an emergency if the commission determines,
15		in consultation with the appropriate county and the
16		department of health, that there is an absence of
17		sufficient quantity and quality of water in any area,
18		whether within or outside of a water management area,
19		that immediately threatens the public health, safety,
20		and welfare. The commission may issue orders reciting
21		the existence of the emergency and requiring such

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1.	actions as the commission deems necessary to address
2	the emergency be taken, including but not limited to
3	apportioning, rotating, limiting, or prohibiting the
4	use of the water resources of the area. An emergency
5	order shall expire no later than one year after issued
6	by the commission, unless extended by a separate or
7	supplementary order."

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

10 "[+]§174C-9[+] Proceedings before the commission 11 concerning water resources. (a) All proceedings before the 12 commission concerning the enforcement or application of any 13 provision of this chapter or any rule adopted pursuant thereto, 14 or the issuance, modification, or revocation of any permit or 15 license under this code by the commission, shall be conducted in 16 accordance with chapter 91. Hearings regarding particular water 17 resources shall be conducted on the island where those water 18 resources are located.

(b) Any party to whom an emergency order is directed may
 challenge that order but shall immediately comply with the order
 pending disposition of the party's challenge. The commission

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1	shall give precedence to a hearing on the challenge over all
2	other pending matters."
3	SECTION 3. Section 174C-62, Hawaii Revised Statutes, is
4	amended to read as follows:
5	"[ <b>+]§174C-62[+] Declaration of water shortage</b> . (a) The
6	commission shall formulate a statewide plan for implementation
7	during periods of water shortage. As a part of the plan, the
8	commission shall adopt a reasonable system of permit
9	classification according to source of water supply, method of
10	extraction or diversion, use of water, or a combination thereof.
11	(b) The commission, by rule, may declare that a water
12	shortage exists within all or part of an area, whether within or
13	outside of a water management area, when insufficient water is
14	available to meet the requirements of the permit system or when
15	conditions are such as to require a temporary reduction in total
16	water use within the area to protect water resources from
17	serious harm. The commission shall publish a set of criteria
18	for determining when a water shortage exists[ $-$ ], including but
19	not limited to impacts and effects of the climate crisis.
20	(c) In accordance with the plan adopted under subsection
21	(a), the commission may impose such restrictions on one or more

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classes of permits <u>and outside of management areas on well and</u>
 <u>stream diversion owners and operators</u> as may be necessary to
 protect the water resources of the area from serious harm and to
 restore them to their previous <u>water quantity or chloride level</u>
 condition.

6 (d) A declaration of water shortage and any measures
7 adopted pursuant thereto may be rescinded by rule by the
8 commission.

9 (e) When a water shortage is declared, the commission 10 shall cause a notice [thereof] of the water shortage to be 11 published in a prominent place in a newspaper of general 12 circulation throughout the area[-] and on the commission's 13 website. The notice shall be published each day for the first 14 week of the shortage and once a week [thereafter] for four 15 months, followed by monthly publications until the declaration is rescinded. Publication of [such] the notice shall serve as 16 17 notice to all water users in the area of the condition of water 18 shortage.

19 (f) The commission shall cause each permittee in the area
20 to be notified by regular <u>and electronic</u> mail of any change in
21 the conditions of the permittee's permit, any suspension

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1	[thereof,] of the permittee's permit, or of any other
2	restriction on the use of water for the duration of the water
3	shortage.
4	[ <del>(g) If an emergency condition arises due to a water</del>
5	shortage within any area, whether within or outside of a water
6	management area, and if the commission finds that the
7	restrictions imposed under subsection (c) are not sufficient to
8	protect the public health, safety, or welfare, or the health of
9	animals, fish, or aquatic life, or a public water supply, or
10	recreational, municipal, agricultural, or other reasonable uses,
11	the commission may issue orders reciting the existence of such
12	emergency and requiring that such actions as the commission
13	deems-necessary to meet the emergency be taken, including but
14	not-limited to apportioning, rotating, limiting, or prohibiting
15	the-use of the water resources of the area. Any party to whom
16	an emergency order is directed may challenge such an order-but
17	shall immediately comply with the order, pending disposition of
18	the-party's challenge. The commission shall give precedence to
19	a hearing on such challenge over all other pending matters.]"
20	SECTION 4. Statutory material to be repealed is bracketed
21	and stricken. New statutory material is underscored.

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SECTION 5. This Act shall take effect upon its approval.

## APPROVED this

day of

, 2023

## GOVERNOR OF THE STATE OF HAWAII

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### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2023 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2023.

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Scott K. Saiki Speaker House of Representatives

h. L. ille

Brian L. Takeshita Chief Clerk House of Representatives

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## THE SENATE OF THE STATE OF HAWAI'I

Date: May 2, 2023 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2023.

President of the Senate

Clerk of the Senate