

STAND. COM. REP. NO. **2316**

Honolulu, Hawaii

FEB 14 2024

RE: S.B. No. 2978
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 2978 entitled:

"A BILL FOR AN ACT RELATING TO WATER RESOURCES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish an income tax credit to incentivize the voluntary relinquishment of private water systems;
- (2) Direct the Attorney General to initiate eminent domain proceedings to acquire privately-owned water systems in certain areas; and
- (3) Appropriate moneys to the Department of the Attorney General to fund eminent domain proceedings to acquire private water systems.

Your Committee received testimony in support of this measure from one individual.

Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Department of Agriculture, and Hawai'i Farm Bureau.



Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that only twenty-five percent of water resources in the County of Maui are provided by the county, while seventy-five percent of water resources are provided by private operators. This measure will return water to the public by incentivizing the voluntary relinquishment of private water systems and by directing the Attorney General to commence eminent domain proceedings to acquire water systems in certain counties.

Your Committee has amended this measure by:

- (1) Adding language specifying that any water systems relinquished or condemned pursuant to this measure shall be owned, operated, and maintained by the respective county in which the subject system is located;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2978, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2978, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Water and Land,


LORRAINE R. INOUE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB 2978	Committee Referral: WTL, WAM/JDC	Date: 02/09/2024
---	--	----------------------------

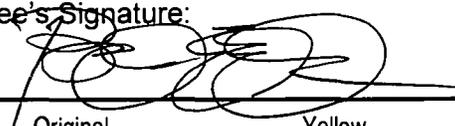
The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)	✓			
ELEFANTE, Brandon J.C. (VC)	✓			
CHANG, Stanley	✓			
MCKELVEY, Angus L.K.	✓			
FEVELLA, Kurt	✓			
TOTAL	5	0	0	0

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes