STAND. COM. REP. NO. 448

Honolulu, Hawaii FEB 1 7 2023

RE: S.B. No. 762 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 762 entitled:

"A BILL FOR AN ACT RELATING TO WATER CATCHMENT SYSTEMS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Health to:

- Adopt rules to regulate water catchment systems for business activities;
- (2) Allow business owners to participate in the Department's annual water testing program under certain conditions; and
- (3) Establish a nonregulatory program that provides technical assistance to business owners who wish to utilize filtered water from a water catchment system.

Your Committee received testimony in support of this measure from Hawaii Tropical Fruit Growers; Kuahiwi Ranch, LLC; and two individuals. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that the effects of the recent highprofile leaks of petroleum and other chemicals at the Red Hill



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Bulk Fuel Storage Facility and the raw wastewater spill at the Ewa Beach Wastewater Pump Station underscore the fragility of the State's water system, thereby emphasizing the need to pursue innovative solutions to decrease use of the State's limited aquifers. Your Committee also finds that water catchment systems capture rainwater that can be utilized to supplement potable water systems. Your Committee further finds that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources has published quidelines that outline a safe process for utilizing water captured for personal use that can be appropriately applied to activities under certain regulatory conditions. Existing law allows captured water to be used for personal purposes only, thereby requiring small businesses in underserved rural areas, including agricultural production and processing businesses, to pay hourly fees to use a commercial kitchen or buy county water and have it delivered by truck, which costs approximately \$250 for a half tank. This measure will provide business owners more flexibility in accessing water by allowing them to safely use filtered water from a water catchment system for business activities.

Your Committee acknowledges the concerns raised by the Department of Health, including the rigorous and costly barrier treatments that business owners may need to implement to utilize filtered water from a water catchment system for business activities; types of business activities that would be subject to this measure; possible conflicts between the authority of the State and counties in enforcing plumbing codes applicable to the water catchment systems; and the feasibility in providing water testing support that is intended to assist residents with lead and copper testing at residential dwellings to business activities. However, given the recent incidents at the Red Hill Bulk Fuel Storage Facility and Ewa Beach Wastewater Pump Station that endangered the health and safety of the people in the State, your Committee finds that the State should at least consider alternative options that give business owners access to water resources that do not rely on the State's limited aquifers.

Accordingly, your Committee has amended this measure by: (1) Deleting its contents and inserting language that:



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- (A) Creates a Business Activity Water Catchment System Working Group within the Department of Health to assess the feasibility of allowing business owners in the State to utilize filtered water collected by water catchment systems for business activities;
- (B) Requires the working group to report its findings and recommendations to the Legislature before the Regular Session of 2025; and
- (C) Requires the working group to dissolve on June 30, 2025;
- (2) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (3) Amending section 1 to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 762, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 762, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Health and Human Services,

JOY VENTURA, Chair



The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Health and Human Services HHS

Bill / Resolution No.:*	Committee Referral: Date:				
SB 762	HHS, WAM 2/6/23				
The Committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)		<pre> </pre>			
AQUINO, Henry J.C. (VC)					
MORIWAKI, Sharon Y.					
SHIMABUKURO, Maile S.L.					
AWA, Brenton				~	
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TOTAL		9			
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 <u>one</u> measure per Record of Votes