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STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

> P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the Senate Committee on JUDICIARY

Thursday, March 2, 2023 9:50 AM State Capitol, Conference Room 016 & Videoconference

In consideration of SENATE BILL 1386, SENATE DRAFT 1 RELATING TO DECLARATION OF WATER SHORTAGE AND EMERGENCY

Senate Bill 1386, Senate Draft 1 proposes to clarify the conditions, manner, and areas in which the Commission on Water Resource Management (Commission) of the Department of Land and Natural Resources (Department) can declare water shortages and emergencies. The Department strongly supports this measure.

Hawai'i Revised Statutes (HRS) Section 174C-62 did not contemplate the existence of a water shortage and/or emergency due to an immediate degradation of water quality or other emergencies such as wildfires. As the Red Hill crisis has revealed, such shortages and emergencies and can come into existence in an instant. All waters of the state are regulated by the Commission as provided in HRS Section 174C-4 (a), additionally the Commission regulates all holders of water use permits (WUP) in water management areas¹, for example on O'ahu, this includes the Honolulu Board of Water Supply (HBWS) and others such as the Navy. The Commission is proposing amendments in order to implement water shortage and emergency declarations to be able to react to crises in a swift and comprehensive manner to protect public trust resources. Unlike emergency declarations issued by the Governor that might suspend entire laws as provided for in HRS Section 127A-13 (3), emergency declarations issued by the Commission can be tailored to specifically address orders and permits issued by the Commission without suspending sections of the State Water Code. For instance, the Commission can suspend an interim instream flow standard to allow water uses for emergency firefighting purposes.

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

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¹ The following are groundwater management areas in the State, the entire island of O'ahu (except for the Wai'anae Aquifer Sector), the entire island of Moloka'i, the Lahaina Aquifer Sector Area and 'Īao aquifer on Maui. Surface water management areas are on the island of Maui in Nā Wai 'Ehā and the Lahaina Aquifer Sector Area.

Currently, HRS Section 174C-62(g) is already applicable outside of water management areas, but its reference to subsection (c) requires that a water shortage has to be declared by rule, through a rule-making process under HRS Chapter 91, which may take up to over one year, in accordance with a water shortage plan before the Commission can declare an emergency. This has resulted in overly burdensome and unnecessary constraints to the emergency declarations process in instances where the emergency is due to an instant degradation in water quality or a wildfire, unlike a slower processing decline in water quantity, which can be anticipated and planned for. This bill would allow the Commission to declare a water emergency without a prior water shortage declaration by rule. Such an emergency declaration by the Commission would be made at an agendized "sunshine" meeting where the public has the opportunity to provide testimony.

This bill also proposes to require water shortage plans to be developed statewide and provides clarity that the Commission has authority to declare water shortages in any area, within and outside of a water management area. Currently, water shortage plans have only been developed in water management areas. These plans establish criteria for declaring water shortages and actions that must be undertaken by WUP holders to protect the health of ground and surface water resources for as long as water shortage conditions exist. Certain counties, including the HBWS, have their own water shortage plans. Their ability to respond to emergencies are not affected by the amendments proposed in this bill. This bill serves to clearly define the Commission's authority to declare water shortages and emergencies and the Commission's measures pertaining to all water users and not just WUP holders. Water shortage declarations are a temporary measure and this bill will allow the Commission to provide a tailored response to fulfill its constitutional public trust duties outside of water management areas without taking over administrative control as provided for in the designation process of HRS Section 174C-41 (a).²

Additionally, the Commission would be required to consider the impacts of the climate crisis in its determination of criteria for water shortage declarations. The bill also proposes to modernize notice requirements by adding notification of water use permit holders per electronic mail and publication of a water shortage and emergency on the Commission's website.

Finally, the bill clarifies the Commissio's authority to modify, suspend, and revoke water use permits in the case of a long term or permanent reduction of the available water source due to a water shortage or emergency.³

Mahalo for the opportunity to provide testimony in strong support of this measure.

² Notably, HBWS is only tangentially affected by this amendment as almost all aquifers of O'ahu are already water management areas since 1992 except for the Wai'anae Aquifer Sector.

³ Since 2003, the Commission has included a standard condition to WUP that provides for the Commission's authority to modify permits.

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ELLEN E. KITAMURA, P.E. Deputy Manager and Chief Engineer

The Honorable Karl Rhoads, Chair and Members Senate Committee on Judiciary Hawaii State Capitol, Room 016 Honolulu, Hawaii 96813

Dear Chair Rhoads and Members:

SUBJECT: <u>Senate Bill 1386, SD1: Relating to Declaration of Water Shortage and</u> Emergency

The Honolulu Board of Water Supply (BWS) offers comments on Senate Bill (SB) 1386, Senate Draft (SD) 1, for your consideration. This bill amends the State Water Code §174C-62, Hawaii Revised Statutes (HRS), which requires that a water shortage has to be declared by rule in accordance with the water shortage plan before the Commission on Water Resource Management (CWRM) can declare an emergency. This bill would allow the CWRM to declare a water emergency without a prior water shortage declaration by rule.

Allowing CWRM to declare a water emergency without a prior water shortage declaration by rule, would appear to preempt and usurp the executive authority provided under HRS §127A-14 (c), which states "The governor or mayor shall be the sole judge of the existence of the danger, threat, or circumstances giving rise to a declaration of a state of emergency in the State or a local state of emergency in the county, as applicable. This section shall not limit the power and authority of the governor under section 127A-13(a)(5)."

The proposed amendments to subsections (b) and (c) would allow CWRM to impose restrictions on permits <u>outside</u> of management areas on well and stream diversion owners and operators. These proposed amendments would effectively contravene the intent and purpose of HRS § 174C-41(a), which requires that -- as a precondition to designating water management areas -- CWRM conduct scientific investigations and research to reasonably determine that the water resources in an area may be threatened by existing or proposed withdrawals or diversions of water. The purpose of this due diligence requirement is to ensure that the designation is in the public interest.

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The proposed amendments to subsection (g) further absolves CWRM of its due diligence responsibilities by inappropriately removing the requirement that CWRM make findings before imposing restrictions on permittees.

The proposed amendments to subsection (h) should be addressed in § 174C-57 and § 174C-58, and "long term or permanent reduction of the available water source" should be defined by specific scope or magnitude.

Overall, this bill is unnecessary and would effectively give CWRM authority over designated areas <u>and</u> non-designated areas by eliminating procedural and substantive due process protections currently in the State Water Code. CWRM should coordinate with each county emergency management agency. For Oahu, the sustainable yield is 393.5 million gallons a day (mgd) and BWS uses about half of that amount. Hawaii County the sustainable yield is 2,000 mgd and it uses approximately 10 percent.

Thank you for the opportunity to testify offering comments for your consideration on SB 1386, SD 1.

Very truly yours,

ERNEST Y.W. LAU, P.E. Manager and Chief Engineer

<u>SB-1386-SD-1</u> Submitted on: 3/1/2023 9:57:59 PM Testimony for JDC on 3/2/2023 9:50:00 AM

Submitted By	Organization	Testifier Position	Testify
james pirtle	Individual	Oppose	Written Testimony Only

Comments:

i oppose this bill. there is no climate crisis that was a blatant lie. This is an attempt at fraud against the peoples right to water resources.