

STAND. COM. REP. NO.

22

Honolulu, Hawaii

JAN 30 , 2025

RE: H.B. No. 306  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Water & Land, to which was referred H.B. No. 306 entitled:

"A BILL FOR AN ACT RELATING TO STATE WATER CODE PENALTIES,"

begs leave to report as follows:

The purpose of this measure is to establish a \$50 minimum and \$60,000 maximum fine for every violation of the State Water Code.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Hawai'i Alliance for Progressive Action; Green Party of Hawai'i; Environmental Caucus of the Democratic Party of Hawai'i; Sierra Club of Hawai'i; Strata Farms LLC; and numerous individuals. Your Committee received comments on this measure from the Honolulu Board of Water Supply; Department of Water Supply of the County of Hawai'i; and one individual.

Your Committee finds that the State has an affirmative duty to protect, control, and regulate the use of the State's water resources. Your Committee further finds that the current penalties in the State Water Code do not serve as a sufficient deterrent to prevent over-extraction or misuse of these resources. Your Committee believes that establishing minimum and maximum penalties for violations of the State Water Code, as intended by this measure, will help preserve water resources, protect

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vulnerable ecosystems, and ensure access to safe drinking water for residents and visitors in the State.

Your Committee has amended this measure by:

- (1) Including failure to comply with standardized water audit requirements as a violation subject to a penalty;
- (2) Leaving the maximum penalty unspecified;
- (3) Establishing factors that must be considered by the Commission on Water Resource Management when imposing a penalty;
- (4) Reverting to existing statutory language that permits, rather than requires, the Commission to set, charge, and collect administrative fines;
- (5) Establishing an incremental increase of the maximum fine effective every five years over a twenty-year period beginning in 2035;
- (6) Inserting severability and savings clauses;
- (7) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 306, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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

  
MARK J. HASHEM, Chair



