

Honolulu, Hawaii

MAY 01 , 2026

RE: H.B. No. 306
H.D. 2
S.D. 1
C.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 306, H.D. 2, S.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish a minimum fine and maximum fine per violation of the State Water Code and authorize the Commission on Water Resource Management (CWRM) to consider each day that a violation exists or continues to exist a separate offense;
- (2) Establish factors the CWRM must consider when determining the amount of the penalty; and
- (3) Increase maximum fines every five years from 2030 to 2045.



Your Committee on Conference has amended this measure by:

- (1) Making it a violation of the State Water Code for a person to fail to maintain a natural stream channel under a person's ownership if the failure to maintain the channel causes an unreasonable and substantial physical obstruction of the natural flow of water, with certain exceptions;
- (2) Establishing a period of time after receipt of written notice of certain violations of the State Water Code during which a violator may remedy the violation or enter into a corrective action plan with the CWRM;
- (3) Amending the amount of the maximum fine for a violation; provided that CWRM has fined the violator within the five years preceding the violation and the violation causes harm to other water users, the environment, or the water source;
- (4) Prohibiting the State from acquiring a fee simple interest in any artificial watercourse, including a canal or ditch, under certain circumstances but allowing the State to acquire a fee simple interest in the artificial watercourse if the Legislature provides prior approval by concurrent resolution;
- (5) Deleting the provision that increases maximum fines every five years from 2030 to 2045;
- (6) Changing its effective date to July 1, 2026; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 306, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 306, H.D. 2, S.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

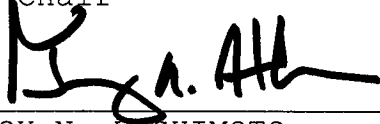
ON THE PART OF THE SENATE



CHRIS LEE
Chair

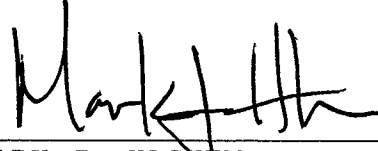


KARL RHOADS
Co-Chair

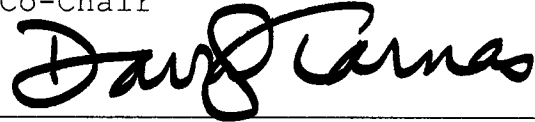


TROY N. HASHIMOTO
Co-Chair

ON THE PART OF THE HOUSE



MARK J. HASHEM
Co-Chair



DAVID A. TARNAS
Co-Chair



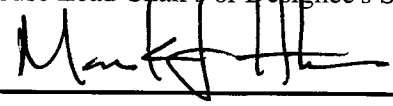
DEE MORIKAWA
Co-Chair



Hawaii State Legislature

Record of Votes of a Conference Committee

CCR 196-26

Bill / Concurrent Resolution No.: HB 306, HD 2, SD 1					Date/Time: 5/1/26 11:45 AM				
☒ The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
☐ The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					☐ The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
LEE, Chris, Chr.	✓				HASHEM, Mark J., Co-Chr.	✓			
RHOADS, Karl, Co-Chr.	✓				TARNAS, David A., Co-Chr.	✓			
HASHIMOTO, Troy N., Co-Chr.	✓				MORIKAWA, Dee, Co-Chr.	✓			
					SHIMIZU, Garner M.	✓			
TOTAL	3	0	0	0	TOTAL	4	0	0	0
A = Aye WR = Aye with Reservations N = Nay E = Excused									
Senate Recommendation is:					House Recommendation is:				
☒ Adopted ☐ Not Adopted					☒ Adopted ☐ Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
									
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