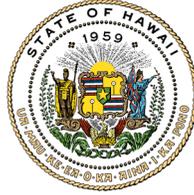


JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



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

P.O. BOX 621  
HONOLULU, HAWAII 96809

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

RYAN K.P. KANAKA'OLE  
FIRST DEPUTY

CIARA W.K. KAHAHANE  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES  
ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

Testimony of  
RYAN K.P. KANAKA'OLE  
Acting Chairperson

Before the Senate Committee on  
WATER, LAND, CULTURE AND THE ARTS

Monday, March 16, 2026  
1:00 PM  
State Capitol, Conference Room 224

In consideration of  
HOUSE BILL 1802, HOUSE DRAFT 1  
RELATING TO CONSERVATION MITIGATION BANKS

House Bill 1802, House Draft 1, authorizes the Department of Land and Natural Resources and certain public or private entities to operate conservation banks, subject to approval from the Board of Land and Natural Resources, for situations where a person or entity is required to provide compensatory mitigation to offset adverse impacts to threatened, endangered, candidate, or proposed species as part of an approved incidental take license and habitat conservation plan; adds the associate director of the United States Geological Survey, Ecosystem Mission Area, to the membership of the Endangered Species Recovery Committee; and requires the Endangered Species Recovery Committee to review applications and proposals for conservation banks and conduct subsequent reviews and oversight. This bill is effective 7/1/3000. **The Department of Land and Natural Resources (Department) supports this bill.**

Conservation banks are large-scale projects designed to increase populations of threatened or endangered species or to enhance their habitats. They serve as useful tools for incidental take permit holders with habitat conservation plans that require mitigation to offset the impact on threatened and endangered species. Credits from conservation banks cannot be sold until the species' population in the bank increases or its habitat is improved, in accordance with a credit schedule. With conservation banks, mitigation is completed before any take of a threatened or endangered species occurs.

The Department would benefit from operating conservation banks, as funds collected by Department-operated banks would be used for conservation efforts for threatened and endangered species, aiding their recovery.

Mahalo for the opportunity to comment on this measure.

**HB-1802-HD-1**

Submitted on: 3/13/2026 5:09:09 PM

Testimony for WLA on 3/16/2026 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ted Bohlen	Testifying for Hawaii Reef and Ocean Coalition and Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

SUPPORT!



SENATOR CHRIS LEE, CHAIR  
SENATOR LORRAINE R. INOUE, VICE-CHAIR  
SENATE COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS

TESTIMONY **IN SUPPORT OF** HOUSE BILL NO. 1802 HD1  
RELATING TO CONSERVATION BANKING

March 16, 2026, 1:00 p.m.  
Conference Room 224 & Videoconference  
State Capitol  
415 South Beretania Street, Honolulu, Hawai'i

Good afternoon, Chair Lee, Vice-Chair Inouye, and members of the committee:

Earthjustice **supports** House Bill 1802 HD1, which would authorize the establishment and operation of conservation banks to help offset adverse impacts to threatened, endangered, candidate, or proposed species as part of an approved incidental take license and habitat conservation plan.

Whenever the Legislature adopts policies related to endangered and threatened species, it is vital to ensure that adequate safeguards are in place to protect Hawai'i's unique and irreplaceable native species. HB 1802 HD1 has worked through the complex policy issues involved in establishing an entirely new conservation mitigation program and **would ensure adequate protection for imperiled species.**

Mahalo for the opportunity to offer this testimony. Please do not hesitate to contact us with any questions or for further information.

David L. Henkin, Esq.  
Deputy Managing Attorney  
Earthjustice, Mid-Pacific Office

**LATE**

**HB-1802-HD-1**

Submitted on: 3/15/2026 2:36:03 PM

Testimony for WLA on 3/16/2026 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Sandie Wong	Testifying for Tawhiri Power LLC	Support	Written Testimony Only

Comments:

Tawhiri Power LLC supports HB1802, HD1. Thank you.



**SIERRA CLUB**  
OF HAWAII

**SENATE COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS**

March 16, 2026

1:00 PM

Conference Room 224

**In SUPPORT of HB1802 HD1: RELATING TO CONSERVATION MITIGATION BANKS**

---

Aloha Chair Lee, Vice Chair Inouye, and Committee Members,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **SUPPORTS** HB1802 HD1, which would allow for the more efficient investment of resources intended to mitigate the harms of certain activities on our threatened and endangered species and their habitat.

The general concept of conservation banks certainly holds much merit. However, the wide range of variables and unforeseen outcomes so often seen in habitat restoration and management activities require considerable thought, expertise, and safeguards to ensure that a conservation bank program does not inadvertently (or intentionally) facilitate potentially devastating harm to the last remaining individuals of our endangered and threatened native species.

Accordingly, the Sierra Club is very appreciative of the amendments made in the HD1 draft of this measure, to include detailed provisions that minimize the threat of facilitating harmful activities without adequate mitigation. These include requiring adaptive management strategies and financial assurances to address potential unintended outcomes, ensuring bank sponsors have requisite scientific and technical expertise, prohibiting "credit stacking," and articulating a clear and enforceable process for review by the endangered species recovery committee, among others. **With these amendments, HB1802 HD1 would give the state's long-awaited conservation bank program the best chances of success – and help to ensure that our unique endangered and threatened native species are not driven to extinction on our generations' watch.**

Mahalo nui for the opportunity to testify.

**Testimony of The Nature Conservancy  
Supporting HB1802 HD1, Relating to Conservation Mitigation Banks  
Committee on Water, Land, Culture and the Arts  
March 16, 2026 at 1:00 pm  
Conference Room 224 and via Videoconference**

**LATE**

Dear Chair Lee, Vice Chair Inouye, and Members of the Committee:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports HB1802 HD1, which authorizes the Department of Land and Natural Resources and certain public or private entities to operate conservation banks, subject to approval from the Board of Land and Natural Resources, for situations where a person or entity is required to provide compensatory mitigation to offset adverse impacts to threatened, endangered, candidate, or proposed species as part of an approved incidental take license and habitat conservation plan. Additionally, this bill adds the associate director of the United States Geological Survey, Ecosystem Mission Area, to the membership of the Endangered Species Recovery Committee and requires the Endangered Species Recovery Committee to review applications and proposals for conservation banks and conduct subsequent reviews and oversight.

Conservation banking is a well-established tool that provides long-term, landscape-level benefits for threatened and endangered species. By creating a clear and comprehensive framework for conservation mitigation banks in Hawai'i, this bill improves the predictability and effectiveness of mitigation, supports science-based species recovery, and ensures conservation actions are carried out with durable funding, long-term stewardship, and clear performance standards.

This bill strengthens Hawai'i's existing habitat conservation planning process and expands the suite of tools available to protect sensitive species and ecosystems. Importantly, the bill increases consistency and accountability by establishing detailed requirements for conservation bank instruments, monitoring, adaptive management, site protection, and financial assurances, as well as clear rules governing credit use and oversight.

Mahalo for the opportunity to testify in support of HB1802 HD1.

---

*Guided by science, TNC is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 84,000 acres in 13 nature preserves and 18 managed areas and have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.*

---

BOARD OF TRUSTEES

Duke E. Ah Moo Kris Billeter Anne S. Carter Ka'iulani de Silva Daniel J. Dunn Dave Eadie Jan Elliott Matt Emerson  
Hon. Judith Epstein Dr. Alan M. Friedlander Benjy Garfinkle Puni Jackson David Lassner Brett MacNaughton (Chair)  
Janet Montag Alicia Moy Katherine G. Richardson John R. Sabas Bradley E. Smith Julie Smolinski Vern Yamanaka

*Ihupani Advisory Council:* Christopher J. Benjamin Kenton T. Eldridge Eiichiro Kuwana  
Duncan MacNaughton Jean E. Rolles Crystal K. Rose Nathan E. Smith

*Founders:* Samuel A. Cooke Herbert C. Cornuelle