

DAVID Y. IGE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
FINANCE

Friday, February 24, 2017
2:00 P.M.
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 633
RELATING TO ASSISTING DAM AND RESERVOIR OWNERS

House Bill 633 proposes to revise Part XII, Section 39A-341, Hawaii Revised Statutes (HRS), by amending the definitions of “appurtenant works”, “dam” and “reservoir” for the purposes of clarifying the definitions. The bill also proposes to clarify that above freshwater storage tanks are included in the definition of appurtenant works for the purposes of the special purpose revenue bond program. **The Department of Land and Natural Resources (Department) supports this bill.**

The Special Purpose Revenue Bond Program provides a means of financing for certain types of projects that have a greater public purpose and are in need of financial support. Dams and reservoirs were included as a qualified type of project, as many of these structures are in need of improvements to comply with dam safety standards. This means of financing will assist owners to implement these improvements. This measure will broaden the types of improvements eligible for special purpose revenue bonds.

The Department understands that this revision will not change the application of the definition contained in Chapter 179D, HRS - Dams and Reservoirs.

Thank you for the opportunity to comment on this measure.

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

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FIRST DEPUTY

JEFFERY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

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BOARD OF WATER SUPPLY

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February 24, 2017

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

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

The Honorable Sylvia Luke, Chair
and Members
Committee on Finance
House of Representatives
Hawaii State Capitol, Room 306
415 Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

Subject: House Bill 633 Relating to Assisting Dam and Reservoir Owners

The Board of Water Supply (BWS) strongly supports House Bill 633. This measure clarifies, in part, that aboveground freshwater storage tanks are included in the definition of "appurtenant works" in Part XII of Chapter 39A, Hawaii Revised Statutes. House Bill 633 will allow the BWS to utilize the proceeds of a special purpose revenue bonds issuance as an additional option to finance waterworks projects. The savings realized from lower interest rates will ultimately help keep water rates affordable for BWS customers.

Thank you for your consideration of our testimony on House Bill 633.

Very truly yours,

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