

STAND. COM. REP. NO.

893

Honolulu, Hawaii

MAR 01 2019

RE: S.B. No. 1259
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Water and Land and Ways and Means, to which was referred S.B. No. 1259 entitled:

"A BILL FOR AN ACT RELATING TO MANDATORY VESSEL INSURANCE COVERAGE,"

beg leave to report as follows:

The purpose and intent of this measure is to require vessel owners operating a vessel in or on state ocean waters that is required to be registered with the State or required to be documented by the United States Coast Guard to obtain marine insurance coverage.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources and Ocean Tourism Coalition. Your Committees received testimony in opposition to this measure from three individuals.

Your Committees find that, in addition to environmental damage from grounded vessels, uninsured vessels that run aground, are derelict, or are abandoned in waters of the State cause the State to sometimes incur all costs involved in removing the vessel. The Division of Boating and Ocean Recreation has required insurance for vessels moored in state small boat harbors as a condition of obtaining a mooring permit since 2009 but has no existing mechanism for addressing insurance concerns for the numerous other vessels located in the State but not stored on



state facilities. This measure establishes marine insurance requirements to address these vessels.

Your Committees have amended this measure by:

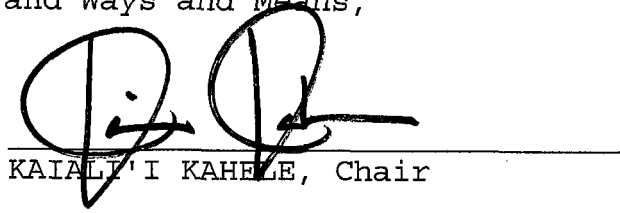
- (1) Applying the mandatory marine insurance requirement only to vessels originally manufactured at a length of twenty-six feet or more, or under twenty-six feet if the vessel is grounded in the State;
- (2) Setting the mandatory vessel insurance minimum at \$100,000;
- (3) Allowing a vessel owner to obtain an alternative insurance acceptable to the Department of Land and Natural Resources;
- (4) Amending the Board of Land and Natural Resources' authority to grant exemptions from the marine insurance coverage requirement for certain transient vessels under certain circumstances;
- (5) Inserting a definition for "grounded vessel";
- (6) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1259, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1259, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Ways and Means,

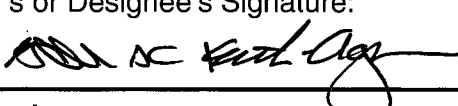

DONOVAN M. DELA CRUZ, Chair


KAIALI'I KAHELE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

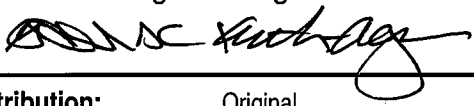
Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB1259	Committee Referral: WTL/WAM	Date: 2/28/2019		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KAHELE, Kaiali'i (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
NISHIHARA, Clarence K.				X
RIVIERE, Gil	X			
FEVELLA, Kurt				X
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
SBI259	WTL / WAM	2/20/19
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
DELA CRUZ, Donovan M. (C)	X	
KEITH-AGARAN, Gilbert S.C. (VC)	X	
ENGLISH, J. Kalani	X	
HARIMOTO, Breene	X	
INOUYE, Lorraine R.	X	
KAHELE, Kaiali'i	X	
KANUHA, Dru Mamo	X	
KIDANI, Michelle N.	X	
MORIWAKI, Sharon Y.	X	
RIVIERE, Gil	X	
SHIMABUKURO, Maile S.L.	X	
TANIGUCHI, Brian T.	X	
FEVELLA, Kurt		X
TOTAL	12	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: 		
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy		

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