

STAND. COM. REP. NO.

89

Honolulu, Hawaii

FEB 09 , 2021

RE: H.B. No. 1015
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1015 entitled:

"A BILL FOR AN ACT RELATING TO DISPOSITION OF WATER LICENSES BY THE BOARD OF LAND AND NATURAL RESOURCES,"

begs leave to report as follows:

The purpose of this measure is to implement the water disposition process pursuant to section 171-58, Hawaii Revised Statutes, by clearly establishing that dispositions for the use of water by the Board of Land and Natural Resources are licenses for water, rather than the conveyance of any property right or interest in water via a lease.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Hawaii Farm Bureau. Your Committee received testimony in opposition to this measure from Maui Tomorrow Foundation, Inc.; Kauai Island Utility Cooperative; and two individuals. Your Committee received comments on this measure from the Department of Hawaiian Home Lands, Sierra Club of Hawai'i, and Wai'oli Valley Taro Hui.

Your Committee finds that the provisions of this measure will allow the Board of Land and Natural Resources to dispose of water in a more feasible and practicable manner.

2021-1309 HB1015 HD1 HSCR HMSO

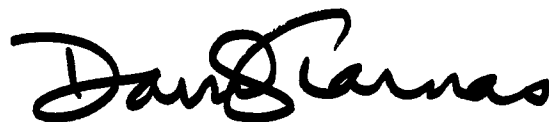


Your Committee has amended this measure by:

- (1) Setting forth factors that may be considered in determining the fair market value for a license;
- (2) Providing that if a licensee disagrees with the fair market value for the license rental for water, the Board of Land and Natural Resources has sole discretion to resolve the dispute; provided that such resolution is consistent with the public trust doctrine;
- (3) Changing its effective date to January 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for 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. 1015, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1015, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



DAVID A. TARNAS, Chair



