

STAND. COM. REP. NO.

1235

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 498
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred H.B. No. 498, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to use in-lieu fee mitigation to restore, create, enhance, or preserve aquatic habitats or resources as compensatory mitigation prospectively or for past damages.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Hawai'i Reef and Ocean Coalition.

Your Committee finds that natural resource agencies, such as the Department of Land and Natural Resources, prefer compensatory mitigation mechanisms such as in-lieu fee mitigation because in-lieu fee sponsors are often entities with more experience, scientific expertise, and vested long-term interest in natural resource conservation. According to testimony received by your Committee, Hawaii intends to be the first state in the nation to establish in-lieu fee mitigation for coral reefs. Your Committee further finds that this measure would provide the Department of Land and Natural Resources with another innovative mechanism to



improve state stewardship of aquatic public trust habitats and resources, increase accountability for aquatic resource damage, and provide a higher quality of restitution for the damaged resources.

Your Committee has amended this measure by:

- (1) Making it effective upon its approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 498, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 498, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

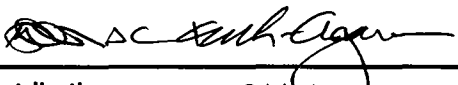
Respectfully submitted on
behalf of the members of the
Committee on Water and Land,


LORRAINE R. INOUE, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* HB 498, HD 1	Committee Referral: WTL, JDC/WAM	Date: 3/22/21		
<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
INOUYE, Lorraine R. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
MISALUCHA, Bennette E.	X			
RIVIERE, Gil	X			
FEVELLA, Kurt	X			
TOTAL	5			
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