



GOV. MSG. NO. 1332

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA lūlāi 3, 2024

July 8, 2024

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker, and Members of the
House of Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Pursuant to the notice requirement of Section 16 of Article III of the Constitution of the State of Hawaii, I am transmitting herewith the following bill with specific appropriation items stricken or reduced and my official statement of objections to the specific items contained in the bill:

SB3153

RELATING TO THE DAM AND
APPURTENANCE IMPROVEMENT OR
REMOVAL GRANT PROGRAM.

Mahalo,

Josh Green, M.D.
Governor, State of Hawai'i

EXECUTIVE CHAMBERS

HONOLULU

July 8, 2024

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 3153

Honorable Members
Thirty-Second Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, Senate Bill No. 3153, entitled "A Bill for an Act Relating to the Dam and Appurtenance Improvement or Removal Grant Program."

The purpose of this bill is to establish the Dam and Appurtenance Improvement or Removal Grant Program Special Fund to receive moneys for the Dam and Appurtenance Improvement or Removal Grant program. The bill appropriates funds into and out of the Special Fund for the Dam and Appurtenance Improvement or Removal Grant Program.

Ensuring the safety and stability of dams involves diligent adherence to safety standards. Establishing a strong framework for managing dam improvements and removals involves thoughtful planning for the program's long-term costs. This bill appropriates \$10,000,000 in general funds for deposit into the Dam and Appurtenance Improvement or Removal Grant Program Special Fund and appropriates \$10,000,000 out of the Special Fund for the Dam and Appurtenance Improvement or Removal Grant Program. I object to these appropriations because it would not be fiscally prudent to appropriate these funds until further assessment of the sustainability of the program can determine its viability.

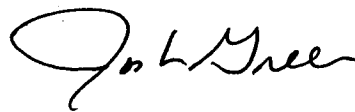
Section 16 of Article III of the Hawai'i Constitution provides that, "[e]xcept for items appropriated to be expended by the judicial and legislative branches, the governor may veto any specific item or items in any bill which appropriates money for specific purposes by striking out or reducing the same." Because of the foregoing objections, pursuant to my line-item veto authority, I have reduced the \$10,000,000

STATEMENT OF OBJECTIONS
SENATE BILL NO. 3153
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general fund appropriation for fiscal year 2024-2025 for deposit into the Dam and Appurtenance Improvement or Removal Grant Program Special Fund in section 4 to \$5,000,000 (page 7, line 13). In addition, I have reduced the \$10,000,000 special fund appropriation out of the Dam and Appurtenance Improvement or Removal Grant Program Special Fund in section 5 to \$5,000,000 (page 7, line 21).

For the foregoing reasons, I am returning Senate Bill No. 3153 with the reductions set forth above totaling \$5,000,000 in general funds and \$5,000,000 in special funds for fiscal year 2024-2025.

Respectfully,

A handwritten signature in black ink that reads "Josh Green". The signature is written in a cursive style with a large initial "J" and "G".

JOSH GREEN, M.D.
Governor of Hawai'i

A BILL FOR AN ACT

RELATING TO THE DAM AND APPURTENANCE IMPROVEMENT OR REMOVAL
GRANT PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that many private dam
2 owners do not have the resources to conduct the necessary
3 repairs or removal of their dams, resulting in dams remaining
4 unsafe and continuing to pose a risk to the downstream public in
5 the event of a dam failure. The legislature further finds that
6 although the total cost to bring all private dams into
7 compliance will be in the hundreds of millions of dollars, dams
8 in Hawaii provide many public benefits, such as potable water,
9 water for agriculture and livestock, fire protection, ground
10 water recharge, flood control, energy generation, sediment
11 control, and recreation. Therefore, it is in the public's best
12 interest for the legislature to provide financial assistance to
13 these private dam owners.

14 Act 134, Session Laws of Hawaii 2023 (Act 134), established
15 and appropriated moneys for a dam and appurtenance improvement
16 or removal grant program to financially assist owners of private
17 dams and appurtenances to keep them properly maintained.



1 Although Act 134 did appropriate \$10,000,000 out of general
2 revenues as one-time seeding for the grant program, it did not
3 establish a special fund dedicated to receive grant program
4 funding. A special fund is a critical receptacle for grant
5 funds to be deposited into and remain available for the purposes
6 of Act 134. This is especially important during the department
7 of land and natural resources' (department) inaugural creation
8 of the grant program, where administrative rulemaking to develop
9 procedures and criteria to determine eligibility and priority of
10 awarding grants would be established. The department
11 anticipates that the \$10,000,000 in seed funding appropriated
12 for the grant program in Act 134 will lapse before the
13 department can complete its rulemaking and establish its grant
14 application criteria and processes. Thereafter, without the
15 creation of the special fund, unused funds for the grant program
16 will lapse and be returned to the general fund at the close of
17 each fiscal year.

18 The purpose of this Act is to establish a special fund to
19 receive funds for the dam and appurtenance improvement or
20 removal grant program and to reappropriate funds for the dam and
21 appurtenance improvement or removal grant program.



1 SECTION 2. Section 179D-31, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[+]§179D-31[+] Dam and appurtenance improvement or
4 removal grant program[-]; special fund; established. (a) There
5 is established a dam and appurtenance improvement or removal
6 grant program, to be developed and administered by the
7 department for the improvement or removal of deficient dams in
8 the State.

9 (b) The dam and appurtenance improvement or removal grant
10 program shall provide funding to owners of private dams for
11 plans, design, construction, and equipment to improve or remove
12 deficient dams and appurtenances, as determined by the
13 department.

14 (c) Each award shall be approved by the board before
15 disbursement and shall be subject to conditions imposed by the
16 board.

17 (d) The department may award grants based on criteria that
18 shall be developed by the department. Each applicant shall meet
19 the following requirements:



- 1 (1) The applicant shall be an owner of a high hazard or
2 significant hazard dam or appurtenance that is
3 regulated under this chapter;
- 4 (2) The applicant shall be the owner of a regulated dam or
5 appurtenance that has been determined to have one or
6 more deficiencies; provided that priority shall be
7 given to dams or appurtenances rated to be in poor or
8 unsatisfactory condition;
- 9 (3) The applicant shall indicate on the application that
10 the proposed plans, design, construction, and
11 equipment shall be intended for remediation or removal
12 of the dam or appurtenance;
- 13 (4) If the applicant is an entity other than an
14 individual, the applicant shall:
 - 15 (A) Be licensed to conduct business in the State; and
 - 16 (B) Have bylaws or policies that describe the manner
17 in which business is conducted, prohibit
18 nepotism, and provide for the management of
19 potential conflicts of interest;
- 20 (5) The applicant shall agree to comply with all
21 applicable federal and state laws prohibiting



1 discrimination against any person on the basis of
2 race, color, national origin, religion, creed, sex,
3 age, sexual orientation, disability, or any other
4 characteristic protected under applicable federal or
5 state law;

6 (6) The applicant shall agree that grant moneys are not to
7 be used for purposes of entertainment or perquisites;

8 (7) The applicant shall agree that all activities and
9 improvements undertaken with funds received shall
10 comply with applicable federal, state, and county
11 laws, including statutes, ordinances, applicable
12 building codes, and rules;

13 (8) The applicant shall agree to make available to the
14 department all records that the applicant may have
15 relating to the grant and allow state agencies to
16 monitor the applicant's compliance with the purpose of
17 this chapter;

18 (9) The applicant shall establish, to the satisfaction of
19 the department, that sufficient funds are available
20 for the completion of plans, design, and construction,
21 or equipment needed for the purpose for which the



1 grant is awarded; provided that the grant amount shall
2 be included among the calculation of sufficient funds;
3 and

4 (10) The applicant shall comply with other requirements or
5 conditions as the department or board may prescribe.

6 (e) Notwithstanding any provision to the contrary, there
7 is established in the department a special fund to be designated
8 as the dam and appurtenance improvement or removal grant program
9 special fund. The fund shall be administered by the department.
10 The following shall be deposited into the dam and appurtenance
11 improvement or removal grant program special fund:

- 12 (1) Appropriations by the legislature;
- 13 (2) Moneys derived from public or private sources to
14 benefit dam and appurtenance improvement or removal;
- 15 (3) Any other moneys collected pursuant to this section or
16 any rules adopted pursuant to this section; and
- 17 (4) Moneys derived from interest, dividends, or other
18 income from other sources.

19 (f) The department may expend moneys from the dam and
20 appurtenance improvement or removal grant program special fund
21 in accordance with this section and other purposes for the



1 administration of the dam and appurtenance improvement or
2 removal grant program under this section or any rule adopted
3 pursuant to this section, including but not limited to funding
4 for permanent or temporary positions."

5 SECTION 3. Act 134, Session Laws of Hawaii 2023, is
6 amended by amending section 4 to read as follows:

7 "SECTION 4. [~~There is appropriated out of the general~~
8 ~~revenues of the State of Hawaii the sum of \$10,000,000 or so~~
9 ~~much thereof as may be necessary for fiscal year 2023-2024 as~~
10 ~~one-time seed funding for the purposes of the dam and~~
11 ~~appurtenance improvement or removal grant program.] Repealed."~~

12 SECTION 4. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of ~~\$10,000,000~~ ^{\$5,000,000} or so *qs*
14 much thereof as may be necessary for fiscal year 2024-2025 to be
15 deposited into the dam and appurtenance improvement or removal
16 grant program special fund as seed funding for the purposes of
17 the dam and appurtenance improvement or removal grant program
18 established by section 179D-31, Hawaii Revised Statutes.

19 SECTION 5. There is appropriated out of the dam and
20 appurtenance improvement or removal grant program special fund
21 the sum of ~~\$10,000,000~~ ^{\$5,000,000} or so much thereof as may be necessary
qs



1 for fiscal year 2024-2025 for the dam and appurtenance
2 improvement or removal grant program established by section
3 179D-31, Hawaii Revised Statutes.

4 The sum appropriated shall be expended by the department of
5 land and natural resources for the purposes of this Act.

6 SECTION 6. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 7. This Act shall take effect on July 1, 2024.



S.B. NO. 3153
S.D. 2
H.D. 1
C.D. 1

APPROVED this day of , 2024


GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2024
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.


President of the Senate


Clerk of the Senate

SB No. 3153, SD 2, HD 1, CD 1

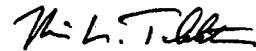
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2024
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives