

STAND. COM. REP. NO. 2644

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3258
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Water and Land and Commerce and Consumer Protection, to which was referred S.B. No. 3258 entitled:

"A BILL FOR AN ACT RELATING TO DAM AND RESERVOIR SAFETY,"

beg leave to report as follows:

The purpose and intent of this measure is to require the Department of Land and Natural Resources (Department) to:

- (1) Consider certain insurance coverage in conducting safety inspections relating to dam and reservoir safety;
- (2) Relax any restrictions and stringent standards on a dam or appurtenance upon verification of certain insurance coverage;
- (3) Assume that a dam, reservoir, or appurtenance is safe absent certain documents;
- (4) Place the burden of proof on the Department to find that a dam, reservoir, or appurtenance is high-risk; and
- (5) Establish additional requirements for the Department and Board of Land and Natural Resources regarding the Dam and Appurtenance Improvement or Removal Grant Program.



Your Committees received testimony in support of this measure from the Hawai'i Farm Bureau.

Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources and Association of State Dam Safety Officials.

Your Committees find that while dam and reservoir safety rules represent an important public safety initiative, the rules codified in chapter 179, Hawaii Revised Statutes, are stringent and reduce water storage capacity across the State. Dams and reservoirs are critical to the State's goal of food security as they help to recharge groundwater aquifers and are foundational to sustainable agricultural systems. Stringent regulations discourage dam and reservoir owners from the construction and maintenance of this critical infrastructure, which in turn burdens farmers who rely on these dams and reservoirs. This measure helps to relieve the burden on dam and reservoir owners and farmers by relaxing current rules on dam and reservoir safety.

Your Committees acknowledge the concerns raised by the Department that the purchase of an insurance policy should not be considered in the risk assessment of a dam or reservoir, nor should it be used as a criteria to relax dam and reservoir safety requirements. Furthermore, the Department comments that this measure may encourage owners of dams and reservoirs to purchase insurance policies in lieu of complying with safety standards, potentially harming public health and safety.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that would have required the Department to consider certain insurance coverage in conducting safety inspections relating to dam and reservoir safety;
- (2) Deleting language that would have placed the burden of proof on the Department to establish that a dam, reservoir, or appurtenance is high-risk;
- (3) Deleting language that would have required the Department to assume that any dam, reservoir, or



appurtenance is safe in the absence of certain documents;


- (4) Deleting language that would have required the Department to relax any restrictions and stringent standards on a dam, reservoir, or appurtenance; provided that the owner possessed valid insurance coverage;
- (5) Deleting language that would have required the Board of Land and Natural Resources to consider any existing insurance policy in its assessment of risks associated with a dam;
- (6) Inserting an effective date of July 1, 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 Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3258, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3258, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Commerce and Consumer
Protection,



JARRETT KEOHOKALOLE, Chair

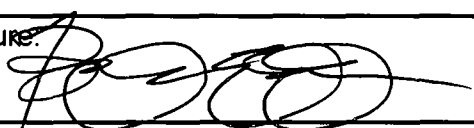


LORRAINE R. INOUYE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

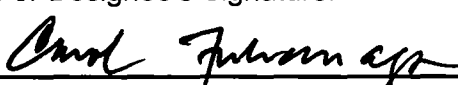
Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB 3258	Committee Referral: WTL/CPN, WAM	Date: 2-15-2024		
<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)	✓			
ELEFANTE, Brandon J.C. (VC)	✓			
CHANG, Stanley				✓
MCKELVEY, Angus L.K.	✓			
FEVELLA, Kurt				✓
TOTAL	3	0	0	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
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3258	WTL/LPN, WAM	2/15/24		
<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
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
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				

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