Resolution

No. 24–130

APPROVING FOR INCLUSION IN THE 2025 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT

WHEREAS, amendments to the State Water Code are necessary to enable the Commission on Water Resource Management to more effectively carry out its mandate under Article XI, Section 7, of the Hawai'i State Constitution; and

WHEREAS, further clarification of the Commission on Water Resource Management's purpose, including its leadership structure and composition, will provide greater accountability and protection of the State's water from third parties; and

WHEREAS, the August 8, 2023, Maui wildfires demonstrated the need for the Commission to be able to declare an emergency and take the necessary actions to address the emergency; and

WHEREAS, the Commission must be able to effectively regulate ground and surface water standards, as these will be crucial during the rebuilding of Lahaina to ensure there will be adequate water for years to come; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

- 1. That the proposed State bill attached as Exhibit "A," relating to the Commission on Water Resource Management be included in the 2025 Hawai'i State Association of Counties Legislative Package; and
- 2. That certified copies of this Resolution be transmitted to the Hawai'i State Association of Counties Executive Committee.

INTRODUCED BY:

Jamara A.M. Pattin

TAMARA PALTIN

Exhibit "A"

__.B. NO.___ A BILL FOR AN ACT

RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT.

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

1 SECTION 1. The legislature finds that effective and efficient water resource management requires continuous and 2 3 experienced leadership, especially given the climate crisis and urgent need to properly steward water resources to meet the 4 5 affordable housing needs of local residents. On December 28, 6 1994, the review commission on the state water code submitted its final report to the legislature pursuant to Act 45, Session 7 Laws of Hawaii 1987. The review commission determined that 8 9 amendments to the state water code were necessary to enable the 10 commission on water resource management to more effectively 11 carry out its mandate pursuant to article XI, section 7, of the Hawaii State Constitution to "set overall water conservation, 12 13 quality and use policies; define beneficial and reasonable uses; protect ground and surface water resources, watersheds and 14 15 natural stream environments; establish criteria for water use priorities while assuring appurtenant rights and existing 16 17 correlative and riparian uses and establish procedures for 18 regulating all uses of Hawaii's water resources." Therefore,

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| 1 | further | clarification of the commission on water resource |
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| 2 | manageme | nt's purpose, including its leadership structure and the |
| 3 | composit | ion of the commission, will provide greater |
| 4 | accountal | bility and protection of the State's waters. |
| 5 | The | purpose of this Act is to: |
| 6 | (1) | Define the public trust purposes of the commission on |
| 7 | | water resource management and require the commission, |
| 8 | | in acting upon water use permit applications, to |
| 9 | | prioritize applications for public trust purposes; |
| 10 | (2) | Allow the commission to retain independent legal |
| 11 | | counsel; |
| 12 | (3) | Repeal the position of deputy to the chairperson of |
| 13 | | the commission and establish the position of executive |
| 14 | | director of the commission; |
| 15 | (4) | Amend the composition of the commission and |
| 16 | | administratively attach it to the department of land and |
| 17 | | natural resources; |
| 18 | (5) | Authorize entities to challenge an emergency order of |
| 19 | | the commission under certain conditions; |
| 20 | (6) | Establish fines for certain water use offenses; and |
| 21 | (7) | Amend the commission's authority to declare water |

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1 emergencies and issue orders to address them and 2 declare water shortages and related notice 3 requirements. SECTION 2. Chapter 174C, Hawaii Revised Statutes, is 4 amended by adding a new section to part IV to be appropriately 5 designated and to read as follows: 6 "§174C- Public trust purpose. The commission shall act upon 7 8 water use permit applications, filed in accordance with sections 174C-51, 174C-52, and 174C-53, for both existing and new public 9 10 trust purposes before acting upon water use permit applications 11 for other existing or new uses, or both, filed in accordance with sections 174C-51, 174C-52, and 174C-53. Proceedings for 12 applications for public trust purposes shall be held first and 13 14 separate from proceedings for all other applications filed in 15 accordance with sections 174C-51, 174C-52, and 174C-53." SECTION 3. Section 28-8.3, Hawaii Revised Statutes, is 16 17 amended as follows: 18 1. By amending subsection (a) to read: 19 "(a) No department of the State other than the attorney 20 general may employ or retain any attorney, by contract or otherwise, for the purpose of representing the State or the 21 22 department in any litigation, rendering legal counsel to the

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| 1 | departmer | nt, or drafting legal documents for the department; |
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| 2 | provided | that the foregoing provision shall not apply to the |
| 3 | employme | nt or retention of attorneys: |
| 4 | (1) | By the public utilities commission, the labor and |
| 5 | | industrial relations appeals board, and the Hawaii labor |
| 6 | | relations board; |
| 7 | (2) | By any court or judicial or legislative office of the |
| 8 | | State; provided that if the attorney general is |
| 9 | | requested to provide representation to a court or |
| 10 | | judicial office by the chief justice or the chief |
| 11 | | justice's designee, or to a legislative office by the |
| 12 | | speaker of the house of representatives and the |
| 13 | | president of the senate jointly, and the attorney |
| 14 | | general declines to provide [such] representation on the |
| 15 | | grounds of conflict of interest, the attorney general |
| 16 | | shall retain an attorney for the court, judicial, or |
| 17 | | legislative office, subject to approval by the court, |
| 18 | | judicial, or legislative office; |
| 19 | (3) | By the legislative reference bureau; |
| 20 | (4) | By any compilation commission that may be constituted |
| 21 | | from time to time; |

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| 1 | (5) | By the real estate commission for any action involving |
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| 2 | | the real estate recovery fund; |
| 3 | (6) | By the contractors license board for any action |
| 4 | | involving the contractors recovery fund; |
| 5 | (7) | By the office of Hawaiian affairs; |
| 6 | (8) | By the department of commerce and consumer affairs for |
| 7 | | the enforcement of violations of chapters 480 and 485A; |
| 8 | (9) | As grand jury counsel; |
| 9 | (10) | By the Hawaii health systems corporation, or its |
| 10 | | regional system boards, or any of their facilities; |
| 11 | (11) | By the auditor; |
| 12 | (12) | By the office of ombudsman; |
| 13 | (13) | By the insurance division; |
| 14 | (14) | By the University of Hawaii; |
| 15 | (15) | By the Kahoolawe island reserve commission; |
| 16 | (16) | By the division of consumer advocacy; |
| 17 | (17) | By the office of elections; |
| 18 | (18) | By the campaign spending commission; |
| 19 | (19) | By the Hawaii tourism authority, as provided in section |
| 20 | | 201B-2.5; |
| 21 | (20) | By the division of financial institutions; |
| 22 | (21) | By the office of information practices; |

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(22) By the school facilities authority; 1 (23) By the Mauna Kea stewardship and oversight 2 authority; [or] 3 (24) By the commission on water resource management; or 4 5 [(24)] (25) By a department, if the attorney general, for 6 reasons deemed by the attorney general to be good and sufficient, declines to employ or retain an attorney 7 for a department; provided that the governor waives the 8 provision of this section." 9 2. By amending subsection (c) to read: 10 "(c) Every attorney employed by any department on a full-11 12 time basis, except an attorney employed by the public utilities commission, the labor and industrial relations appeals board, 13 14 the Hawaii labor relations board, the office of Hawaiian affairs, the Hawaii health systems corporation or its regional 15 system boards, the department of commerce and consumer affairs 16 in prosecution of consumer complaints, insurance division, the 17 division of consumer advocacy, the University of Hawaii, the 18

19 Hawaii tourism authority as provided in section 201B-2.5, the
20 Mauna Kea stewardship and oversight authority, <u>the commission on</u>
21 <u>water resource management</u>, the office of information practices,
22 or as grand jury counsel, shall be a deputy attorney general."

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| 1 | SECTION 4. Section 84-18, Hawaii Revised Statutes, is |
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| 2 | amended by amending subsection (e) to read as follows: |
| 3 | "(e) Subject to the restrictions imposed in subsections |
| 4 | (a) through (d), the following individuals shall not represent |
| 5 | any person or business for a fee or other consideration |
| 6 | regarding any legislative action or administrative action, as |
| 7 | defined in section 97-1, for twelve months after termination |
| 8 | from their respective positions: |
| 9 | (1) The governor; |
| 10 | (2) The lieutenant governor; |
| 11 | (3) The administrative director of the State; |
| 12 | (4) The attorney general; |
| 13 | (5) The comptroller; |
| 14 | (6) The chairperson of the board of agriculture; |
| 15 | (7) The director of corrections and rehabilitation; |
| 16 | (8) The director of finance; |
| 17 | (9) The director of business, economic development, and |
| 18 | tourism; |
| 19 | (10) The director of commerce and consumer affairs; |
| 20 | (11) The adjutant general; |
| 21 | (12) The superintendent of education; |
| 22 | (13) The chairperson of the Hawaiian homes commission; |

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| 1 | (14) | The director of health; |
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| 2 | (15) | The director of human resources development; |
| 3 | (16) | The director of human services; |
| 4 | (17) | The director of labor and industrial relations; |
| 5 | (18) | The chairperson of the board of land and natural |
| 6 | | resources; |
| 7 | (19) | The director of law enforcement; |
| 8 | (20) | The director of taxation; |
| 9 | (21) | The director of transportation; |
| 10 | (22) | The president of the University of Hawaii; |
| 11 | (23) | The executive administrator of the board of regents of |
| 12 | | the University of Hawaii; |
| 13 | (24) | The administrator of the office of Hawaiian affairs; |
| 14 | (25) | The chief information officer; |
| 15 | (26) | The executive director of the agribusiness development |
| 16 | | corporation; |
| 17 | (27) | The executive director of the campaign spending |
| 18 | | commission; |
| 19 | (28) | The executive director of the Hawaii community |
| 20 | | development authority; |
| 21 | (29) | The executive director of the Hawaii housing finance |
| 22 | | and development corporation; |

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| 1 | (30) | The president and chief executive officer of the Hawaii |
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| 2 | | tourism authority; |
| 3 | (31) | The executive officer of the public utilities |
| 4 | | commission; |
| 5 | (32) | The state auditor; |
| 6 | (33) | The director of the legislative reference bureau; |
| 7 | (34) | The ombudsman; |
| 8 | (35) | The permanent employees of the legislature, other than |
| 9 | | persons employed in clerical, secretarial, or similar |
| 10 | | positions; |
| 11 | (36) | The administrative director of the courts; |
| 12 | (37) | The executive director of the state ethics commission; |
| 13 | (38) | The executive officer of the state land use commission; |
| 14 | (39) | The executive director of the natural energy laboratory |
| 15 | | of Hawaii authority; |
| 16 | (40) | The executive director of the Hawaii public housing |
| 17 | | authority; and |
| 18 | (41) | The [first deputy to the chairperson] <u>executive</u> |
| 19 | | director of the commission on water resource |
| 20 | | management; |
| 21 | provided | that this subsection shall not apply to any person who |
| 22 | has held | one of the positions listed above only on an interim or |

1 acting basis and for a period of less than one hundred eighty-2 one days."

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3 SECTION 5. Section 174C-3, Hawaii Revised Statutes, is
4 amended by adding a new definition to be appropriately inserted
5 and to read as follows:

""Public trust purpose" means in accordance with the 6 7 principles outlined in articles XI and XII of the Hawaii State 8 Constitution, the maintenance of waters in their natural state; 9 the exercise of Native Hawaiian traditional and customary practices, including appurtenant rights; domestic water uses as 10 defined in this section; and the reservations and homestead use 11 of water for the department of Hawaiian home lands." 12 SECTION 6. Section 174C-5, Hawaii Revised Statutes, is 13 amended to read as follows: 14 15 "§174C-5 General powers and duties. The general 16 administration of the state water code shall rest with the 17 commission on water resource management. In addition to its other powers and duties, the commission: 18

(1) Shall carry out topographic surveys, research, and
 investigations into all aspects of water use and water
 quality;

(2) Shall designate water management areas for regulation 1 under this chapter where the commission, after the 2 3 research and investigations mentioned in paragraph (1), shall consult with the appropriate county council and 4 county water agency, and after public hearing and 5 published notice, finds that the water resources of the 6 areas are being threatened by existing or proposed 7 withdrawals of water; 8

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- 9 (3) Shall establish an instream use protection program
 10 designed to protect, enhance, and reestablish, where
 11 practicable, beneficial instream uses of water in the
 12 State;
- (4) May contract and cooperate with the various agencies of
 the federal government and with state and local
 administrative and governmental agencies or private
 persons;
- 17 (5) May enter, after obtaining the consent of the property
 18 owner, at all reasonable times upon any property other
 19 than dwelling places for the purposes of conducting
 20 investigations and studies or enforcing any of the
 21 provisions of this code, being liable, however, for

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1 actual damage done. If consent cannot be obtained, reasonable notice shall be given prior to entry; 2 (6) Shall cooperate with federal agencies, other state 3 agencies, county or other local governmental 4 organizations, and all other public and private 5 agencies created for the purpose of utilizing and 6 conserving the waters of the State, and assist these 7 organizations and agencies in coordinating the use of 8 their facilities and participate in the exchange of 9 ideas, knowledge, and data with these organizations and 10 11 agencies. For this purpose, the commission shall maintain an advisory staff of experts; 12 (7) Shall prepare, publish, and issue printed pamphlets and 13 14 bulletins as the commission deems necessary for the 15 dissemination of information to the public concerning its activities; 16 (8) May appoint and remove agents, including hearings 17 officers and consultants, necessary to carry out the 18 19 purposes of this chapter, who may be engaged by the commission without regard to the requirements of 20 chapter 76 and section 78-1; 21 (9) May hire employees in accordance with chapter 76; 22

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1 (10) May, as necessary, appoint and dismiss attorneys, who shall be exempt from chapter 76; 2 [(10)] (11) May acquire, lease, and dispose of real and 3 personal property as may be necessary in the 4 5 performance of its functions, including the 6 acquisition of real property for the purpose of 7 conserving and protecting water and water related 8 resources as provided in section 174C-14; [(11)] (12) Shall identify, by continuing study, those areas 9 10 of the State where salt water intrusion is a threat to 11 fresh water resources and report its findings to the 12 appropriate county mayor and council and the public; [(12)] (13) Shall provide coordination, cooperation, or 13 14 approval necessary to the effectuation of any plan or 15 project of the federal government in connection with or concerning the waters of the State. The commission 16 17 shall approve or disapprove any federal plans or 18 projects on behalf of the State. No other agency or 19 department of the State shall assume the duties 20 delegated to the commission under this paragraph; 21 except that the department of health shall continue to 22 exercise the powers vested in it with respect to water

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| 1 | | quality, and except that the department of business, |
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| 2 | | economic development, and tourism shall continue to |
| 3 | | carry out its duties and responsibilities under |
| 4 | | chapter 205A; |
| 5 | [(13)] | (14) Shall plan and coordinate programs for the |
| 6 | | development, conservation, protection, control, and |
| 7 | | regulation of water resources, based upon the best |
| 8 | | available information, and in cooperation with federal |
| 9 | | agencies, other state agencies, county or other local |
| 10 | | governmental organizations, and other public and |
| 11 | | private agencies created for the utilization and |
| 12 | | conservation of water; |
| 13 | [(14)] | (15) Shall catalog and maintain an inventory of all |
| 14 | | water uses and water resources; [and] |
| 15 | [(15)] | (16) Shall determine appurtenant water rights, |
| 16 | | including but not limited to the quantification of the |
| 17 | | amount of water and the specification of the water |
| 18 | | course or the means of access and delivery entitled to |
| 19 | | by that right, which determination shall be valid for |
| 20 | | purposes of this chapter[.]; and |
| 21 | <u>(17)</u> | May declare an emergency if the commission determines, |
| 22 | | in consultation with the governor, the appropriate |

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| 1 | county, and the department of health, that there is an |
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| 2 | absence of sufficient quantity and quality of water in |
| 3 | any area, whether within or outside of a water |
| 4 | management area, that immediately threatens the public |
| 5 | health, safety, and welfare. The commission may issue |
| 6 | orders reciting the existence of the emergency and |
| 7 | requiring those actions as the commission deems |
| 8 | necessary to address the emergency be taken, including |
| 9 | but not limited to apportioning, rotating, limiting, |
| 10 | or prohibiting the use of water resources of the area; |
| 11 | provided that an emergency order shall expire no later |
| 12 | than one year after issuance by the commission; |
| 13 | provided further that the order may be extended by a |
| 14 | separate or supplementary order." |
| 15 | SECTION 7. Section 174C-6, Hawaii Revised Statutes, is |
| 16 | amended to read as follows: |
| 17 | ``§174C-6 [Deputy to the chairperson] <u>Executive director</u> of |
| 18 | the commission on water resource management. (a) There shall |
| 19 | be [a first deputy to the chairperson] <u>an executive director</u> of |
| 20 | the commission on water resource management [("deputy for water |
| 21 | resource management") who shall be in addition to any other |
| 22 | first deputy to the chairperson as the chairperson of the board |

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| 1 | of land and natural resources. The deputy] <u>, who</u> shall have |
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| 2 | experience in the area of water resources and shall be appointed |
| 3 | by [the chairperson with the approval of a majority of] the |
| 4 | commission $[-,]$ and serve at the pleasure of the commission. |
| 5 | (b) The duties of the [deputy for] <u>executive director of</u> |
| 6 | the commission on water resource management shall be to |
| 7 | administer and implement, under the direction of the commission, |
| 8 | the state water code [and all] <u>, the </u> rules, and other directives |
| 9 | [promulgated in accordance therewith] <u>adopted</u> by the commission. |
| 10 | Nothing in this [provision] <u>section</u> shall be construed as |
| 11 | limiting the authority of the commission as to matters regarding |
| 12 | water resources. |
| 13 | (c) The position of [deputy for] <u>executive director of the</u> |
| 14 | <u>commission on</u> water resource management [is not] <u>shall not be</u> |
| 15 | subject to chapter 76. |
| 16 | (d) The salary of the [deputy for] <u>executive director of</u> |
| 17 | the commission on water resource management shall be [as |
| 18 | provided in section 26-53 for first deputies or first assistants |
| 19 | to the head of any department.] set by the commission, and the |
| 20 | executive director shall be included in any benefit program |
| 21 | generally applicable to the officers and employees of the State. |
| 22 | (e) The commission shall develop and document annual goals |

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| 1 | and performance measures for the executive director that |
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| 2 | authorize the commission to annually evaluate the executive |
| 3 | director's work to ensure compliance by the commission with |
| 4 | statutory and constitutional requirements and achievement of its |
| 5 | statutory and constitutional purposes. |
| 6 | (f) The commission shall evaluate and document the |
| 7 | evaluation of the executive director's performance annually, or |
| 8 | more frequently upon the request of at least four members of the |
| 9 | commission, based on annual goals, performance measures, and |
| 10 | other relevant criteria." |
| 11 | SECTION 8. Section 174C-7, Hawaii Revised Statutes, is |
| | |
| 12 | amended to read as follows: |
| 12 13 | <pre>amended to read as follows: %174C-7 Commission on water resource management. (a)</pre> |
| | |
| 13 | "§174C-7 Commission on water resource management. (a) |
| 13 14 | `\$174C-7 Commission on water resource management. (a) There is established within the department a commission on water |
| 13 14 15 | `\$174C-7 Commission on water resource management. (a) There is established within the department a commission on water resource management consisting of seven members which shall have exclusive jurisdiction and final authority in all matters |
| 13 14 15 16 | `\$174C-7 Commission on water resource management. (a) There is established within the department a commission on water resource management consisting of seven members which shall have exclusive jurisdiction and final authority in all matters |
| 13 14 15 16 17 | <pre>%174C-7 Commission on water resource management. (a) There is established within the department a commission on water resource management consisting of seven members which shall have exclusive jurisdiction and final authority in all matters relating to implementation and administration of the state water</pre> |
| 13 14 15 16 17 18 | "\$174C-7 Commission on water resource management. (a) There is established within the department a commission on water resource management consisting of seven members which shall have exclusive jurisdiction and final authority in all matters relating to implementation and administration of the state water code, except as otherwise specifically provided in this chapter. |
| 13 14 15 16 17 18 19 | <pre>%174C-7 Commission on water resource management. (a) There is established within the department a commission on water resource management consisting of seven members which shall have exclusive jurisdiction and final authority in all matters relating to implementation and administration of the state water code, except as otherwise specifically provided in this chapter. The commission shall be attached to the department of land and</pre> |

1 in subsection [(d).] (e). Each member shall have substantial 2 experience in the area of water resource management; provided 3 that at least one member shall have substantial experience or 4 expertise in traditional Hawaiian water resource management techniques and in traditional Hawaiian riparian usage such as 5 those preserved by section 1740-101. Each of the members shall 6 7 be eligible to serve as the chairperson of the commission upon 8 election by a majority of the commission members. 9 (c) The chairperson of the board of land and natural 10 resources [shall be the chairperson of the commission. The] and the director of health or the director's designee shall serve as 11 12 [an] ex officio[+],[+] voting [member.] members but shall be 13 ineligible to serve as chairperson of the commission. 14 [(c)] (d) The members of the commission shall serve without compensation but shall be reimbursed for expenses, including 15 16 travel expenses, necessary for the performance of their duties. 17 [(d)] (e) In appointing a member to the commission, the 18 governor shall select from a list submitted by a nominating 19 committee. The nominating committee shall be composed of four 20 individuals chosen as follows: two persons appointed by the 21 governor; one person appointed by the president of the senate; 22 and one person appointed by the speaker of the house. The

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committee shall solicit applications and send to the governor
 the names of at least three individuals for each open position.
 [(e)] <u>(f)</u> Except as otherwise provided in this chapter,
 the commission shall be subject to sections 26-34, 26-35, and
 26-36."

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6 SECTION 9. Section 174C-9, Hawaii Revised Statutes, is
7 amended to read as follows:

"[+]§174C-9[+] Proceedings before the commission 8 concerning water resources. (a) All proceedings before the 9 10 commission concerning the enforcement or application of any provision of this chapter or any rule adopted pursuant thereto, 11 12 or the issuance, modification, or revocation of any permit or license under this code by the commission, shall be conducted in 13 14 accordance with chapter 91. Hearings regarding particular water resources shall be conducted on the island where those water 15 resources are located. 16

17 (b) Any party to whom an emergency order is directed may 18 challenge that order but shall immediately comply with the order 19 pending disposition of the party's challenge. The commission 20 shall give precedence to a hearing on the challenge over all 21 other pending matters."

22 SECTION 10. Section 174C-15, Hawaii Revised Statutes, is

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amended to read as follows: 1 "§174C-15 Penalties and common law remedies. (a) The 2 3 commission may enforce its rules and orders adopted pursuant to this chapter by suit for injunction or for damages or both. 4 5 (b) Any person who [violates any]: 6 (1) Violates any provision of this chapter [, or any]; 7 (2) Violates any rule adopted pursuant to this chapter $[\tau]$ 8 may]; (3) Violates any order of the commission; 9 10 (4) Fails to obtain a permit when a permit is required pursuant to this chapter; 11 12 (5) Fails to comply with permit conditions; or (6) Fails to comply with standardized water audit 13 14 requirements pursuant to Act 169, Session Laws of 15 Hawaii 2016, shall be subject to a fine imposed by the commission. [Such] The 16 fine shall be not less than \$50 and shall not exceed {\$5,000. 17 For a continuing offense, each day-during which the offense is 18 19 committed is a separate violation.] \$60,000 per violation. Each 20 day that a violation exists or continues to exist shall constitute a separate offense. Penalties for continuing 21 22 violations shall be assessed from the earliest known date of the

| violation. The earliest known date of a violation shall be |
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| determined by the commission by a preponderance of the evidence; |
| provided that if the earliest known date cannot be determined by |
| a preponderance of evidence, penalties for continuing violations |
| shall be assessed from the earliest date that the commission is |
| made aware of the violation. |
| (c) When imposing a penalty, the commission shall consider |
| the following factors, which shall include but not be limited |
| to: |
| (1) The nature, circumstances, extent, gravity, and |
| history of the violation and of any prior violations; |
| (2) The economic benefit to the violator, or anticipated by |
| the violator, resulting from the violation; |
| (3) The opportunity, difficulty, and history of corrective |
| action; |
| (4) Good faith efforts to comply; |
| (5) Degree of culpability; and |

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18 (6) Other matters as justice may require.

19 [-(e)] (d) No provision of this chapter shall bar the right
20 of any injured person to seek other legal or equitable relief
21 against a violator of this chapter.

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1 [(d)] (e) Except as otherwise provided by law, the commission or its authorized representative by proper delegation [may] 2 3 shall set, charge, and collect administrative fines [or]; 4 may bring legal action to recover administrative fees and costs 5 as documented by receipts or affidavit, including [attorneys'] attorney's fees and costs; [or] and may bring legal action to 6 recover administrative fines, fees, and costs, including 7 8 [attorneys'] attorney's fees and costs, or payment for damages 9 resulting from a violation of this chapter or any rule adopted pursuant to this chapter." 10

SECTION 11. Section 174C-62, Hawaii Revised Statutes, is amended to read as follows:

"[**[**]**§174C-62[]** Declaration of water shortage. (a) The 13 commission shall formulate a statewide plan for implementation 14 15 during periods of water shortage. As a part of the plan, the 16 commission shall adopt a reasonable system of permit classification according to source of water supply, method of 17 extraction or diversion, use of water, or a combination thereof. 18 19 (b) The commission, by rule, may declare that a water 20 shortage exists within all or part of an area, whether within or 21 outside of a water management area, when insufficient water is 22 available to meet the requirements of the permit system or when

conditions [are such as to] require a temporary reduction in 1 total water use within the area to protect water resources from 2 3 serious harm. The commission shall publish a set of criteria 4 for determining when a water shortage exists [-,], including but 5 not limited to impacts and effects of the climate crisis. 6 (c) In accordance with the plan adopted under subsection 7 (a), the commission may impose [such] restrictions on one or more classes of permits and outside of management areas on well 8 and stream diversion owners and operators as may be necessary to 9 10 protect the water resources of the area from serious harm and to restore them to their previous water quantity or chloride level 11 12 condition.

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(d) A declaration of water shortage and any measures
adopted pursuant thereto may be rescinded by rule by the
commission.

(e) When a water shortage is declared, the commission
shall cause a notice [thereof] of the water shortage to be
published in a prominent place in a newspaper of general
circulation throughout the area[-] and on the commission's
website. The notice shall be published each day for the first
week of the shortage and once a week [thereafter] for four
months, followed by monthly publications until the declaration

is rescinded. Publication of [such] the notice shall serve as
 notice to all water users in the area of the condition of water
 shortage.

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(f) The commission shall cause each permittee in the area
to be notified by regular <u>and electronic</u> mail of any change in
the conditions of the permittee's permit, any suspension
[thereof,] of the permittee's permit, or of any other
restriction on the use of water for the duration of the water
shortage.

10 (g) If an emergency condition arises due to a water 11 shortage within any area, whether within or outside of a water 12 management area, and if the commission finds that the 13 restrictions imposed under subsection (c) are not sufficient to protect the public health, safety, or welfare, or the health of 14 15 animals, fish, or aquatic life, or a public water supply, or 16 recreational, municipal, agricultural, or other reasonable uses, 17 the commission may issue orders reciting the existence of such 18 an emergency and requiring that such actions as the commission 19 deems necessary to meet the emergency be taken, including but 20 not limited to apportioning, rotating, limiting, or prohibiting 21 the use of the water resources of the area. Any party to whom 22 an emergency order is directed may challenge such an order but

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shall immediately comply with the order, pending disposition of 1 the party's challenge. The commission shall give precedence to 2 a hearing on such challenge over all other pending matters." 3 SECTION 12. If any provision of this Act, or the 4 application thereof to any person or circumstance, is held 5 6 invalid, the invalidity does not affect other provisions or 7 applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions 8 of this Act are severable. 9 10 SECTION 13. This Act does not affect rights and duties 11 that matured, penalties that were incurred, and proceedings that were begun before its effective date. 12 13 SECTION 14. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. 14 15 SECTION 15. This Act shall take effect on July 1, 3000. 16 17 INTRODUCED BY: 18 paf:clm:24-162b