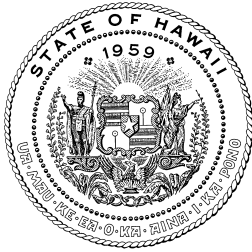


Small Business Regulatory Review Board Meeting

March 18, 2021

10:00 a.m.



SMALL BUSINESS REGULATORY REVIEW BOARD

Department of Business, Economic Development & Tourism (DBEDT)
No. 1 Capitol District Building, 250 S. Hotel Street, Fifth Floor, Honolulu, HI 96813
Mailing Address: P.O. Box 2359, Honolulu, HI 96804
Email: dbedt.sbrrb.info@hawaii.gov
Website: sbrrb.hawaii.gov

Tel: 808 586-2419

AGENDA

Thursday, March 18, 2021 ★ 10:00 a.m.

David Y. Ige
Governor

Mike McCartney
DBEDT Director

Members

Robert Cundiff
Chairperson
O'ahu

Mary Albitz
Vice Chairperson
Mau

Garth Yamanaka
2nd Vice Chairperson
Hawai'i

Harris Nakamoto
O'ahu

Dr. Nancy Atmospera-
Walch
O'ahu

William Lydgate
Kaua'i

James (Kimo) Lee
Hawai'i

Jonathan Shick
O'ahu

Taryn Rodighiero
Kaua'i

Mark Ritchie for
Director, DBEDT
Voting Ex Officio

As authorized under the Governor's February 12, 2021, Eighteenth Proclamation Related to the COVID-19 Emergency, the meeting will be held remotely with Board Members, Staff, and Agencies participating via online meeting venue. The public can participate in the meeting via video-audio livestream; to join the meeting, go to:

<https://zoom.us/j/3082191379>

Copies of the Board Packet will be available on-line for review at: <https://sbrrb.hawaii.gov/meetings/agendas-minutes?yr=2021>.

An electronic draft of the minutes for this meeting will also be made available at the same location when completed.

Members of the public may submit written testimony via e-mail to: DBEDT.sbrrb.info@hawaii.gov. Please include the word "Testimony" and the subject matter following the address line. All written testimony should be **received no later than 4:30 p.m., Wednesday, March 17, 2021.**

The Board may go into Executive Session under Section 92-5 (a)(4), HRS to Consult with the Board's Attorney on Questions and Issues Concerning the Board's Powers, Duties, Immunities, Privileges and Liabilities.

I. Call to Order

II. Approval of February 18, 2021 Meeting Minutes

III. Old Business – After Public Hearing

- A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to Hawaii Administrative Rules (HAR) Title 19 Chapter 108, **High Occupancy Vehicle Lanes**, promulgated by Department of Transportation – **Discussion Leader – James Kimo Lee**

- B. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 10 Chapter 4.1, **Management of Water Systems**, promulgated by Department of Hawaiian Home Lands – **Discussion Leader – James Kimo Lee**

IV. New Business – Before Public Hearing

- A. Discussion and Action on Proposed New HAR Title 19 Chapter 150, **Autonomous Vehicle Registrations**, promulgated by Department of Transportation – **Discussion Leader – James Kimo Lee**

V. Legislative Matters

- A. Discussion, Update and/or Action on the following:
 - a. House Bill 1148 HD1, Relating to Land and Natural Resources, which authorizes the board of land and natural resources to adopt, amend, and repeal administrative fee schedules without regard to chapter 91, Hawaii Revised Statutes, and establishes a process for the board to adopt, amend, and repeal administrative fee schedules, include public notice and meeting requirements.
 - b. Update on Governor’s Message Submitting for Consideration for the Gubernatorial Nomination of Harris Nakamoto to the Small Business Regulatory Review Board for a term to expire June 30, 2023
 - c. Update on Governor’s Message Submitting for Consideration for the Gubernatorial Nomination of James (Kimo) Lee to the Small Business Regulatory Review Board for a term to expire June 30, 2024

VI. Administrative Matters

- A. Update on the Board’s Upcoming Advocacy Activities and Programs in accordance with the Board’s Powers under Section 201M-5, Hawaii Administrative Rules
 - a. Discussion and Action on the Board’s Fiscal Year-to-Date 2021 (Actual) Budget and Projected Fiscal Year 2022 Budget

VII. Next Meeting: Thursday, April 15, 2021 at 10:00 a.m.

VIII. Adjournment

If you require special assistance or auxiliary aid and/or services to participate in the public hearing process, please call (808) 586-2419 or email dbedt.sbrrb.info@hawaii.gov at least three (3) business days prior to the meeting so arrangements can be made.

II. Approval of February 18, 2021 Meeting Minutes

Small Business Regulatory Review Board

MEETING MINUTES - HELD THROUGH VIDEO-CONFERENCING - **DRAFT** February 18, 2021

- I. **CALL TO ORDER:** Chair Cundiff called the meeting to order at 10:05 a.m., with a quorum present, which was open to the public.

MEMBERS PRESENT:

- Robert Cundiff, Chair
- Mary Albitz, Vice Chair
- Garth Yamanaka, 2nd Vice Chair
- Harris Nakamoto
- William Lydgate
- Jonathan Shick
- James (Kimo) Lee
- Taryn Rodighiero
- Mark Ritchie

ABSENT MEMBERS:

- Dr. Nancy Atmospera-Walsh

STAFF: DBEDT

Dori Palcovich
Jet'aime Alcos

Office of the Attorney General

Margaret Ahn

II. **APPROVAL OF January 21, 2021 MINUTES**

Vice Chair Albitz made a motion to accept the January 21, 2021 meeting minutes, as presented. Mr. Lydgate seconded the motion, and the Board members unanimously agreed.

III. **OLD BUSINESS** – After Public Hearing

- A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 13 Chapter 241 Vessel Registration, promulgated by Department of Land and Natural Resources (DLNR)

Discussion leader, Ms. Rodighiero, stated that the purpose of the rule amendments, which were after public hearing, is largely to implement titling of vessels operated in state waters.

Mr. Todd Tashima, Legal Fellow from DLNR’s Division of Boating and Ocean Recreations (DOBOR), explained that public hearing was held on January 6, 2021 through Zoom with no testifiers attending or submitting testimony. Subsequently (on February 12, 2021), the Board of Land and Natural Resources (BLNR) provided DOBOR with approval on the rules.

Mr. Lydgate motioned to move the proposed amendments to the Governor for adoption. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

B. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to Section 5A-11.4 of the Kauai County Code, Home and Related Exemptions Rules, promulgated by County of Kauai – Department of Finance

Mr. Brad Cone, Real Property Tax Manager from County of Kauai's Department of Finance, explained that there should not be any impact to existing businesses that currently have a home exemption. The proposed language requires that a new business owner who moves to Kauai must be in his/her home a certain number of days and are required to file an N-11 state income tax form.

For example, if a business owner/therapist was operating out of his/her home and parking becomes an issue in the neighborhood, in such a situation, the owner would be required to go through the "continual use" process where it would be changed from "homestead" to "commercial home" use.

It was noted that none of the testimonies received at the public hearing were from small businesses.

Mr. Lydgate made a motion to move the proposed amendments to the Mayor for adoption. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

C. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 16 Chapter 71, Certified Public Accountants and Public Accountants, promulgated by Department of Commerce and Consumer Affairs (DCCA)

Discussion leader, Ms. Rodighiero, stated that the rule proposal represents three separate changes. Mr. Relley Araceley, Executive Officer at DCCA, added that the public hearing was held on December 18, 2020, and three testifiers were in support of the rule changes.

One of the changes to the rules will add the word "section" to all numerical sections indicated in the definition of "public accounting practice." This is because currently all references to the statute do not include either the term or the symbol for "section." The language modification would be inline and consistent with the national association's change.

The second change would allow an examination candidate to retake a failed section in the same quarter of the year if the candidate's grade for the previous attempt of that same section had been released. An applicant must pass all four sections of the exam before being considered for licensure in the state.

The third change proposes to change the word license to "permit" to clarify that supervisors of an applicant holds a permit rather than a license. Currently, to engage in the practice of public accountancy in the State, a person must obtain both a CPA license and a permit to practice. This amendment will ensure that applicants have experience under the supervision of a person who performs public accountancy work as opposed to someone who simply has their CPA license and does not perform accountancy work.

Mr. Shick made a motion to move the proposed amendments to the Governor for adoption. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

IV. **NEW BUSINESS** – Before Public Hearing

A. Discussion and Action on Proposed Amendments to HAR Title 11 Chapter 219, Parking for Persons with Disabilities, promulgated by Department of Health (DOH)

Discussion leader, Mr. Nakamoto, thanked Mr. Kirby Shaw, Executive Director, and Mr. Bryan Mick, Program and Policy Development Unit Coordinator from DOH's Disability and Communication Access Board for attending today's meeting.

Mr. Mick explained that this proposal represents a comprehensive, overhaul of the rules largely due to changes in the statute made by the State legislature. Four of the rule changes would likely have small business impact.

The first proposed change exempts parking spaces reserved for people with disabilities in employee parking facilities from the signage requirements where such parking spaces are assigned to specific employees with disabilities. This would, in essence, be a benefit to the employee and the businesses.

The second change will exempt temporary parking spaces reserved for persons with disabilities or temporary access aisles from the "striping" requirements of the rules. This often comes up in construction cases where a portion of a parking lot is corded off for construction sites.

The third change requires the posting of a "No Parking in Access Aisle" sign to identify the access aisle in parking lots with four or less parking spaces. The access aisles are those parking spaces with the diagonal striping; it is very important that these aisles remain clear. However, this would likely require a small expense to a business - approximately \$200 for a sign and installation if a sign is needed.

The final change, with potential business impact, is the creation of a new parking permit due to the possibility of less revenue from the loss of parking expenses and the installation of signage if there are currently no signs in the parking area. Presently, there are three types of disability parking permits issued to qualified applicants: longer term placards, temporary placards, and special license plates. All three confer the privilege to park in any metered parking space without payment of metered parking fees for a maximum of 2.5 hours or the maximum amount of time the meter allows, whichever is longer.

However, effective July 1, 2022, the three existing permits will confer only the privilege to park in a parking space reserved for persons with disabilities, and only the fourth permit - the disabled paid parking exemption permit, will confer the privilege to parking in a parking space reserved for persons with disabilities and/or to park in any parking area where payment is required. This would be via parking meter or an unattended pay station without payment of parking fees for the first 2.5 hours or the maximum amount of time the meter allows, whichever is longer.

Chair Cundiff recognized that DOH had been reaching out to the impacted stakeholders since 2018, and Mr. Mick stated that there was very little specific feedback from small businesses.

There are currently about 100,000 individuals in Hawaii that have existing parking placards, which will continue to stay in place. With the new permit, which provides for free parking, approximately 3,000 to 5,000 of the existing permittees would qualify.

Mr. Shaw stated that it would behoove DOH, as the disabled parking permit issuer, to make the effort to ensure that small businesses are provided with all the information they need to follow the proposed rules. Mr. Ritchie added that the rule changes would allow small businesses to adequately serve their customers with physical impairments.

Mr. Nakamoto made a motion to move the proposed amendments to public hearing. Vice Chair Albitz seconded the motion, and the Board members unanimously agreed.

V. LEGISLATIVE MATTERS

A. Discission and Action on the following Legislative Matters

a. House Bill 636 “Relating to the Small Business Regulatory Review Board”

This measure provides appropriation for staffing, commissioner interisland travel, and other related operating expenses associated with the small business regulatory review board under the Department of Business, Economic Development and Tourism. It was introduced by House Representative Gene Ward.

As of today, it has not been scheduled for a hearing; therefore, it will likely not be moving forward. Thus, the Board will operate with whatever funds DBEDT will provide. He noted, however, that DBEDT has been completely supportive of this Board and has paid for all its expenses.

Mr. Ritchie made a motion to approve that Chair Robert Cundiff, the Board’s staff member, Ms. Dori Palcovich, and DBEDT employee/Board member Mr. Mark Ritchie represent this Board in a meeting with DBEDT director and/or deputy director to discuss this Board’s operating budget/funding for the upcoming fiscal year as well as the status of House Bill 636. Mr. Shick seconded the motion, and the Board members unanimously agreed.

b. Upcoming Governor’s Message Submitting for Consideration for the Gubernatorial Nomination of Harris Nakamoto to the Small Business Regulatory Review Board for a term to expire June 30, 2024

Mr. Ritchie made a motion to recommend supporting the nomination and providing testimony in support of Mr. Harris Nakamoto to this Board when the Legislature schedules a hearing for this measure. Vice Chair Albitz seconded the motion, and the Board members unanimously agreed.

c. Upcoming Governor's Message Submitting for Consideration for the Gubernatorial Nomination of James (Kimo) Lee to the Small Business Regulatory Review Board for a term to expire June 30, 2024

Mr. Ritchie made a motion to recommend supporting the nomination and providing testimony in support of Mr. James (Kimo) Lee to this Board when the Legislature schedules a hearing for this measure. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

d. House Bill 1148 and Senate Bill 1262 "Relating to Land and Natural Resources"

This measure authorizes the board of land and natural resources to adopt, amend, and repeal administrative fee schedules without regard to chapter 91, Hawaii Revised Statutes (HRS), and establishes a process for the board to adopt, amend and repeal administrative fee schedules, including public notice and meeting requirements.

Chair Cundiff explained that this bill had committee hearings and was passed out. In summary, the bill is taking the fee schedules out of DLNR rules and instead making it an administrative measure, rather than an actual rule. Historically, fee schedules have been in rules which this Board has discussed many times throughout the rule-making processing.

Deputy Attorney General Ahn confirmed that this measure, notwithstanding any other law to the contrary, would allow DLNR to adopt, amend or repeal fees by taking fees out of Chapter 91, HRS. By doing so, and because this Board's purview is over administrative rules, fees adopted by DLNR would no longer constitute rules and therefore no longer come before this Board. It was noted that this bill clearly only speaks for the Board of Land and Natural Resources; Chair Cundiff noted, however, that it could open the door for further legislation.

Mr. Todd Tashima confirmed with the Board's interpretation stating that he has not consulted with the AG's office about this bill, but it would remove fees from the Chapter 91, HRS process. He further stated that House Representative David Tarnas initiated and introduced HB1148 to help DLNR largely because of the concerns of DLNR's Division of State Parks in regard to how the COVID-19 pandemic caused a substantial reduction in tourists to the state parks and the restrictions in changing of fees when they are in administrative rules.

Mr. Tashima added that because DOBOR has fees governed by statutes, those fees would not be affected by HB1148. However, fees already set in DOBOR rules would come under this measure.

Ms. Meghan Stats, Assistant Administrator at DOBOR, in response to the question about approaching Governor Ige for assistance on "emergency" fees, stated that DOBOR cannot speak for State Parks and she is unaware if the Governor can allow for emergency fees. However, the concept of taking fees out of the rules relates to when state parks, similar to other states, would lose a great deal of money (from parking) when tourism hit a low season but incur more fees during higher visitor seasons; therefore, the ability for BLNR to raise the parking fees would allow for these seasonal fluctuations.

Although there would still be a process through public hearing for the change in the fees to be reviewed, it would not come before this Board under its governing statute, Chapter 201M, HRS. It was confirmed that while the fees from the rules would be taken out of the Chapter 91, HRS, process, it would still have to be reviewed by BLNR, which is subject to the Sunshine Law.

Second Vice Chair Yamanaka was concerned that the process would take this Board out of reviewing proposed fees in the rules and may create a precedent for other departments. Given that this Board is an advocate for small business, he will plan to pass on the information in this bill to the Big Island chambers of commerce and various business organizations.

In regard to a question about charging various fee ranges in the rules, Mr. Tashima responded that, specifically regarding DOBOR's statute, in Chapter 200-10, HRS, there is a term referring to an inflation index (i.e., cost-of-living index), but that index does not really exist. Therefore, the AG's office has advised DOBOR that it cannot charge anything over its cost; all fees must be backed-up with actual costs. Further, DOBOR has been advised that placing a price index into the rules is not allowed.

Second Vice Chair Yamanaka noted that many times small businesses and chambers of commerce are simply not aware of all bills, such as this one. He, again, suggested that this Board "get the word out" about this measure for comment, then keep track of the comments, and then make a decision as to what action to take. It was noted also that there does not appear to be any malicious intent on DLNR's part to help solve issues and problems within its agencies. Chair Cundiff added that Mr. Tim Lyons submitted commentary to this Board on this agenda item.

Second Vice Chair Yamanaka made a motion that this Board's staff forward communication on House Bill 1148 "Relating to Land and Natural Resources" to the various Hawaii small business organizations to create an awareness and provide feedback to the Board. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

VI. ADMINISTRATIVE MATTERS

A. Update on the Board's Upcoming Advocacy Activities and Programs in Accordance with the Board's Powers under Section 201M-5, HRS

Chair Cundiff noted that there is currently nothing to report under administrative matters.

VII. NEXT MEETING - Thursday, March 18, 2021 at 10:00 a.m.

VIII. ADJOURNMENT – Mr. Nakamoto made a motion to adjourn the meeting and Vice Chair Albitz seconded the motion; the meeting adjourned at 11:36 a.m.

III. Old Business – After Public Hearing

A. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 19 Chapter 108, “High Occupancy Vehicle Lanes,” promulgated by DOT

SMALL BUSINESS STATEMENT
"AFTER" PUBLIC HEARING TO THE
SMALL BUSINESS REGULATORY REVIEW BOARD
(Hawaii Revised Statutes (HRS), §201M-3)

Department or Agency: _____

Administrative Rule Title and Chapter: _____

Chapter Name: _____

Contact Person/Title: _____

Phone Number: _____

E-mail Address: _____ Date: _____

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved.

B. Are the draft rules available for viewing in person and on the Lieutenant Governor's Website pursuant to HRS §92-7?

Yes No

(If "Yes," please provide webpage address and when and where rules may be viewed in person. Please keep the proposed rules on this webpage until after the SBRRB meeting.)

I. Rule Description: New Repeal Amendment Compilation

II. Will the proposed rule(s) affect small business?

Yes No (If "No," no need to submit this form.)

* "Affect small business" is defined as "any potential or actual requirement imposed upon a small business . . . that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business." HRS §201M-1

* "Small business" is defined as a "for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that: (1) Is domiciled and authorized to do business in Hawaii; (2) Is independently owned and operated; and (3) Employs fewer than one hundred full-time or part-time employees in Hawaii." HRS §201M-1

III. Is the proposed rule being adopted to implement a statute or ordinance that does not require the agency to interpret or describe the requirements of the statute or ordinance?

Yes No

(If "Yes" no need to submit this form. E.g., a federally-mandated regulation that does not afford the agency the discretion to consider less restrictive alternatives. HRS §201M-2(d))

IV. Is the proposed rule being adopted pursuant to emergency rulemaking? (HRS §201M-2(a))

Yes No

(If "Yes" no need to submit this form.)

V. Please explain how the agency involved small business in the development of the proposed rules.

- a. **Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?**

VI. If the proposed rule(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

2. A summary of the public's and small businesses' comments.

3. A summary of the agency's response to those comments.

4. The number of persons who:
 - (i) Attended the public hearing:
 - (ii) Testified at the hearing:
 - (iii) Submitted written comments:

5. Was a request made at the hearing to change the proposed rule in a way that affected small business?
 Yes **No**
 - (i) If "Yes," was the change adopted? **Yes** **No**
 - (ii) If No, please explain the reason the change was not adopted and the problems or negative result of the change.

Small Business Regulatory Review Board / DBEDT
Phone: (808) 586-2594 / Email: DBEDT.sbrrb.info@hawaii.gov
This statement may be found on the SBRRB Website at:

<http://dbedt.hawaii.gov/sbrrb-impact-statements- pre-and-post-public-hearing>

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more than 15 minutes; the permits are valid Monday through Friday from 6:30 a.m. to 6:30 p.m.

In addition to advertising the public hearing notice in the local newspaper, communication through the neighborhood board meetings were also performed. Although it was not initially realized how small businesses would be impacted, at the first public hearing, several small businesses suggested the reinstatement of the 15-minute grace to allow clients to stretch their legs, use the facilities, take pictures, etc.

Mr. Ritchie made a motion to move the proposed amendments to the Mayor for adoption. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed.

IV. NEW BUSINESS – Before Public Hearing

A. Discussion and Action on Proposed Amendments to Title 19, Chapter 108, High Occupancy Vehicle Lanes, promulgated by Department of Transportation (DOT)

Ms. Laura Manuel from DOT's Highways Division explained that the amendments include electrical vehicles (EVs) in the Zipper Lane as DOT supports the continued exception for EVs to use HOV lanes. Act 168 allows EVs to use a high occupancy vehicle (HOV) lane regardless of the number of persons in the vehicle.

Second Vice Chair Yamanaka clarified that the amendment would be adding a definition of electric vehicle and allow EVs to utilize the Zipper lane as well as any HOV lane. Chair Cundiff suggested that the amendment could possibly affect small business if they use EVs; Ms. Manuel agreed.

Mr. Lee made a motion to move the proposed amendments to public hearing. Mr. Ritchie seconded the motion, and the Board members unanimously agreed.

B. Discussion and Action on Proposed Amendments to Title 12, Subtitle 8 Hawaii Occupational Safety and Health (HIOSH) Division, Part 11 Elevators and Related Systems, Chapter 229 General, Administrative, and Legal Provisions, promulgated by Department of Labor and Industrial Relations (DLIR)

Vice President and discussion leader Albitz Introduced Mr. Norman Ahu, DLIR's HIOSH Administrator. He explained the specific changes and history of the rules. The rules and codes apply to any entity, including small businesses, that own or are responsible for elevators or related systems. The changes will initially impact elevator contractors, construction contractors of buildings using elevators and related systems, and building owners. The rules include increased fees for inspections and safety tests, which will also affect building owners, tenants and all businesses responsible for elevators or related equipment.

Most of the fees were originally set with the passage of Act 102, Session Laws of Hawaii, 2012. The statutory language set the fees but allows for the DLIR Director to adopt rules pursuant to Chapter 91 to amend the fees. It was the Legislature's intent to provide the flexibility for the Director to change fees to ensure the self-sufficiency of the Boiler & Elevator Branch (Branch).

§19-108-1

Amendment and Compilation of Chapter 19-108
Hawaii Administrative Rules

Adoption Date

1. Chapter 19-108, Hawaii Administrative Rules, entitled "High Occupancy Vehicle Lanes", is amended and compiled to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 19

DEPARTMENT OF TRANSPORTATION

SUBTITLE 4 HIGHWAYS DIVISION

CHAPTER 108

HIGH OCCUPANCY VEHICLE LANES

§19-108-1	Purpose
§19-108-2	Definitions
§19-108-3	Applicability
§19-108-4	Designation of high occupancy vehicle lanes
§19-108-5	Demonstration sections of highways
§19-108-6	Traffic controls
§19-108-7	Vehicle exceptions
§19-108-8	Severability

§19-108-1 Purpose. The purpose of this chapter is to maximize the people moving capability of the state highway system, mitigate transportation-related

§19-108-1

pollution, and reduce dependency on fossil fuels, through the use of high occupancy vehicle lanes. [Eff 09/18/06; comp 03/10/16; comp]
(Auth: HRS §291C-222) (Imp: HRS §291C-222)

§19-108-2 Definitions. As used in this chapter:

"Bus" means every motor vehicle designed for carrying more than ten passengers and used for the transportation of persons; and every motor vehicle, other than a school bus or a taxicab, designed and used for the transportation of persons for compensation.

"Demonstration section" means a section of roadway used as an experimental project for improvements to validate cost-benefits.

"Department" means the state department of transportation.

"Director" means the state director of transportation or an authorized representative.

"Driver" means every person who drives or is in actual physical control of a vehicle.

"Electric Vehicle" means a vehicle as defined in §291-71, HRS.

"Emergency vehicle" includes such fire department vehicles, police vehicles, ambulances, and ocean safety vehicles as are publicly owned and such other publicly or privately owned vehicles as are designated by the city or county council.

"Express lane" means a rapid travel lane and may include high occupancy vehicle lanes.

"High occupancy vehicle" means a motor vehicle carrying at least two or more persons, including carpools, vanpools, and buses.

"High occupancy vehicle lane" means a designated lane of a laned roadway where the use of the designated lane is restricted to school buses,

vehicles carrying at least two persons, and other vehicles as provided herein or by county ordinance.

"Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground but excludes a farm tractor and a moped.

"Official traffic-control devices" means all signs, signals, markings, and devices not inconsistent with this chapter placed or erected by authority of the director, for the purpose of regulating, warning, or guiding traffic.

"Police Officer" means every officer authorized to direct or regulate traffic or to make arrests for violations of traffic regulations.

"Public transit bus" means a bus used in the county bus system and owned by the county or a contractor with the county.

"School bus" means every motor vehicle as defined in ~~[section]~~§286-181, ~~[Hawaii Revised Statutes]~~HRS, and any rules promulgated pursuant to that section by the department of education.

"Zip or zipper lane" means a barrier-separated high occupancy vehicle lane. [Eff 09/18/06; am and comp 03/10/16; am and comp]
(Auth: HRS §291C-222) (Imp: HRS §§291C-221, 291C-222, 291C-222.5)

§19-108-3 Applicability. This chapter shall be applicable to roadways under the jurisdiction of the department of transportation. [Eff 09/18/06; am and comp 03/10/26; comp] (Auth: HRS §291C-222) (Imp: HRS §291C-222)

§19-108-4

§19-108-4 Designation of high occupancy vehicle lanes. The following are designated as high occupancy vehicle lanes by the director when signed and marked by official traffic control devices:

- (1) Interstate Route H-1, Manager's Drive to Keehi Interchange;
- (2) Interstate Route H-2, Waiawa Interchange to Miliani Interchange;
- (3) Route H201, Moanalua Freeway, Halawa Interchange to Puuloa Road;
- (4) Route 72, Kalaniana'ole Highway, West Halemaumau Street to Ainakoa Avenue; and
- (5) Route 92, Nimitz Highway, Keehi Interchange to Pacific Street. [Eff 09/18/06; am and comp 03/10/16; comp]
(Auth: HRS §291C-222) (Imp: HRS §291C-222)

§19-108-5 Demonstration sections of highways.

The director may designate demonstration sections of other portions of highways as high occupancy vehicle lanes by the installation of official traffic control devices when deemed necessary to improve traffic conditions. Designated demonstration sections may be in operation for a period not to exceed one calendar year. In order to make a demonstration section effective beyond the one year period, the demonstration section must be designated as a high occupancy vehicle lane by an amendment of section 19-108-4. [Eff 09/18/06; am and comp 03/10/16; comp] (Auth HRS §291C-222) (Imp: HRS §291C-222)

§19-108-6 Traffic controls. The director shall place, install, and maintain traffic signs, signals, pavement markings, and other official traffic control

devices to advise drivers of the high occupancy vehicle requirement and the hours of usage. Motor vehicles shall be operated in high occupancy vehicle lanes in conformance with the instructions on the signs and other official traffic control devices. [Eff 09/18/06; am and comp 03/10/16; comp] (Auth: HRS §291C-222) (Imp: HRS §291C-222)

§19-108-7 Vehicle exceptions. The following vehicles or persons may use a high occupancy vehicle lane regardless of the number of persons in the vehicle:

- (1) Motorcycles, school buses, public transit buses, [~~and~~]emergency vehicles[~~+~~], and electric vehicles on which an electric vehicle license plate is affixed; or
- (2) Drivers that utilize Kalanianaʻole Highway, located on the island of Oahu, by permit issued by the director to persons who reside on the east-bound, oceanside of Kalanianaʻole Highway between West Halemaumau Street and Ainakoa Avenue, and have no traffic signalized access onto Kalanianaʻole Highway. [Eff 09/18/06; am and comp 03/10/16; am and comp] (Auth: HRS §§291C-221.5, 291C-222, 291C-222.5) (Imp: HRS §§291C-221.5, 291C-222, 291C-222.5)

§19-108-8 Severability. If any provision of this chapter is held invalid, the invalidity shall not affect the remaining provisions of this chapter." [Eff 09/18/06; comp 03/10/16; comp] (Auth: HRS §291C-222) (Imp: HRS §291C-222)

1. Material, except source notes, to be repealed is bracketed and stricken. New material is underscored.

2. Additions to update source notes and other notes to reflect these amendments and compilation are not underscored.

3. These amendments to and compilation of chapter 19-108, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on _____, and filed with the Office of the Lieutenant Governor.

JADE T. BUTAY
Director of Transportation

APPROVED AS TO FORM:

Deputy Attorney General

III. Old Business – After Public Hearing

B. Discussion and Action on the Small Business Statement After Public Hearing and Proposed Amendments to HAR Title 10 Chapter 4.1, “Management of Water Systems,” promulgated by DHHL

SMALL BUSINESS STATEMENT
“AFTER” PUBLIC HEARING TO THE
SMALL BUSINESS REGULATORY REVIEW BOARD
(Hawaii Revised Statutes (HRS), §201M-3)



Department or Agency: Department of Hawaiian Home Lands

Administrative Rule Title and Chapter: HAR 10-4.1

Chapter Name: Management of Water Systems

Contact Person/Title: Hokulei Lindsey / Administrative Rules Officer

Phone Number: 620-9280

E-mail Address: Hokulei.Lindsey@hawaii.gov **Date:** 2/24/21

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved.

B. Are the draft rules available for viewing in person and on the Lieutenant Governor’s Website pursuant to HRS §92-7?

Yes **No**

(If “Yes,” please provide webpage address and when and where rules may be viewed in person. Please keep the proposed rules on this webpage until after the SBRRB meeting.)

I. Rule Description: **New** **Repeal** **Amendment** **Compilation**

II. Will the proposed rule(s) affect small business?

Yes **No** (If “No,” no need to submit this form.)

* “Affect small business” is defined as “any potential or actual requirement imposed upon a small business . . . that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business.” HRS §201M-1

* “Small business” is defined as a “for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that: (1) Is domiciled and authorized to do business in Hawaii; (2) Is independently owned and operated; and (3) Employs fewer than one hundred full-time or part-time employees in Hawaii.” HRS §201M-1

III. Is the proposed rule being adopted to implement a statute or ordinance that does not require the agency to interpret or describe the requirements of the statute or ordinance?

Yes **No**

(If “Yes” no need to submit this form. E.g., a federally-mandated regulation that does not afford the agency the discretion to consider less restrictive alternatives. HRS §201M-2(d))

IV. Is the proposed rule being adopted pursuant to emergency rulemaking? (HRS §201M-2(a))

Yes **No**

(If “Yes” no need to submit this form.)

V. Please explain how the agency involved small business in the development of the proposed rules.

See attached

a. Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?

See attached

VI. If the proposed rule(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

See attached

2. A summary of the public's and small businesses' comments.

See attached

3. A summary of the agency's response to those comments.

See attached

4. The number of persons who:

(i) Attended the public hearing: See attached

(ii) Testified at the hearing: See attached

(iii) Submitted written comments: See attached

5. Was a request made at the hearing to change the proposed rule in a way that affected small business?

Yes No

(i) If "Yes," was the change adopted? Yes No

(ii) If No, please explain the reason the change was not adopted and the problems or negative result of the change.

Small Business Regulatory Review Board / DBEDT
Phone: (808) 586-2594 / Email: DBEDT.sbrrb.info@hawaii.gov
This statement may be found on the SBRRB Website at:

<http://dbedt.hawaii.gov/sbrrb-impact-statements- pre-and-post-public-hearing>

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved.

Chapter 10-4.1, under Hawaii Administrative Rules (HAR) Title 10, Department of Hawaiian Home Lands, entitled "Management of Water Systems." The proposed chapter provides standardized practices for the management of the DHHL-owned Water Systems; provides service rates, meter reading and rendering of bills, and conservation and emergency measures for DHHL-owned public water systems in Anahola, Kauai; Hoolehua, Molokai; and Kawaihae, Hawaii; and provisions for general conditions, monthly maintenance fee, conservation and emergency measures, and unauthorized drawing of water are included for the DHHL-owned non-potable water system in Puukapu, Hawaii.

B. The draft rules are available online at <https://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/>.

V. Please explain how the agency involved small business in the development of the proposed rules.

During the development, information, and consultation phase of the Department of Hawaiian Home Lands (DHHL or Department) rulemaking process, the Department reached out six times to small business consumers on the Hoolehua water system. They were contacted directly by letter, dated November 27, 2017, which provided information about the proposed rules and requested comments. Several meetings were held on Molokai: two beneficiary consultation meetings held on July 25, 2017 and August 24, 2017; and an informational meeting on November 13, 2017. Notices for those meetings were mailed to beneficiaries on Molokai, included with the water bill, and posted on community bulletin boards on island. A meeting specifically related to the proposed rate increase was held on March 12, 2018; notice for this meeting was mailed with the water bill. In addition to the required open meeting notice, it was announced at the March 12 meeting that the Hawaiian Homes Commission would be voting on the water rates for Hoolehua at their regular meeting held on Molokai on April 16-17, 2018.

In the public hearing phase of the rulemaking process, small businesses were directly notified of the public hearing by way of a post card/save the date mailer mailed to all water service billing addresses. This was done in addition to the statutorily required public notice published statewide.

a. Were there any recommendations incorporated into the proposed rules? If yes, explain. If not, why not?

No written or oral recommendations or comments were received from anyone identifying themselves as a small business owner.

VI. If the proposed rules(s) affect small business, and are not exempt as noted above, please provide the following information:

1. A description of how opinions or comments from affected small businesses were solicited.

Small businesses were directly notified of the public hearing by way of a post card/save the date mailer mailed to all water service billing addresses.

2. A summary of the public's and small businesses' comments.

No written recommendations or comments were received from small businesses and no oral comments were received by anyone identifying themselves as a small business owner.

The Department received written comments from two individuals and one organization. The chart in question 3 below contains the summary of comments received and Department responses.

3. A summary of the agency's response to those comments.

NAME	COMMENT SUMMARY	STAFF RESPONSE
E. Halealoha Ayau	<u>Support:</u> the rules improve operations by providing authority to manage the systems, including enforcement authority, and lay out uniform processes.	
Kailapa Community Association Executive Board	<u>§10-4.1-31 Water service rates:</u> Allowing an increase of no more than 10% per thousand gallons once each year is more than county increases. <u>Rate setting process:</u> Although the rules state DHHL will conduct a cost-of-service study each year and a water service rates analysis every three years,	Each water system is unique with its own source challenges, delivery challenges, and consumer/ connection count. What it takes to run a water system, pumping, maintenance, repair, is unique to each system. This means water service rates cannot be compared across different systems; rates are based on costs to run the

	<p>Oahu's BWS website says they conducted workshops, provided monthly updates to their Board, and held five public hearings, and public comment was given full consideration by the Board.</p> <p>Kawaihae lessees pay a higher rate than the cost of average Hawaii County water consumers.</p>	<p>system. DHHL's water policy plan clearly states the water systems should break-even. The trust is subsidizing Department owned water systems, even at current rates.</p> <p>All systems – large and small, county or private – face this challenge of balancing system costs/rates and rate affordability to the customer. All systems are constantly looking at both sides of the ledger – making the system more cost efficient and bringing in revenue via rates or other ways.</p> <p>The Kawaihae system is DHHL's most challenging in terms of costs because its source is Kohala Ranch, which charge's the highest rate on island. Additionally, the Kawaihae system serves a very small customer base of approximately 155.</p> <p>Oahu BWS serves over 800,000 customers plus very large water consumers such as commercial businesses, hotels, and industries, so their costs and rates are set at a very different scale than DHHL.</p>
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		<p>In terms of process, DHHL follows best practices on cost studies and rate setting in the water industry and, like all county water systems do, DHHL engaged a process for rate setting which included multiple community educational workshops on island to review what is a water system, water system budget/cost, and water rate options/recommendations.</p> <p>Going forward, the rates are attached to the administrative rules, which means any change to the rate schedule would require beneficiary consultation as part of the administrative rule amendment process.</p>
<p>Marion Kapuniaia</p>	<p><u>Communication:</u> consumers should be contacted by phone and written notice sent certified mail; no electronic and no newspaper</p> <p><u>Timeframes to resolve issues:</u> all timeframes should be 10 days; some provisions allow 5 days and others allow 10 days</p> <p><u>§10-4.1-17 Accessing consumer's premises:</u></p>	<p><u>Communication:</u> The rules provide for written notice by mail, electronic posting, newspaper, and door hanger depending on the situation. Typically, an issue involving an individual requires written notice whereas an emergency situation impacting larger numbers of consumers allows for multiple options for providing notice.</p>

	<p>notice should be given to access a consumer's premises whenever ingress and egress is necessary</p>	<p><u>Timeframes to resolve issues:</u> the variation in the number of days to resolve an issue after notice is given depends on the situation. However, it may be beneficial to standardize it.</p> <p><u>§10-4.1-17 Accessing consumer's premises:</u> Access for ingress and egress by department employees for purposes related to the protection of the water system is something that appears in rules and regulations for other water systems, including county systems, because of the necessity of protecting the health and safety of consumers as well as the system and the resource. The rules provide notice that access for the purpose articulated may occur and, therefore, allow for a quicker response to the situation necessitating ingress and egress. Utility easements are identified in leases, as appropriate.</p>
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4. The number of persons who:

- i. Attended the public hearing: 1 attendee. Three public hearings were held via teleconference. Two requests were received to join the meetings live.

One of those requestees attended live. The hearings were recorded and are available for viewing, links to each recording are available on the DHHL website at <https://dhhl.hawaii.gov/live/live-archive-2020/>. As of February 23, 2021, the recordings have accumulated a total of 144 views.

- ii. Testified at the hearing: 0
- iii. Submitted written comments: 3

May 2020 Meeting Minutes

Ms. Sprecher acknowledged that it has been over two years since DOFAW was in front of this Board, prior to the public hearings. The forest reserves are DLNR's largest holding; forest reserves allow people to hike, view the scenery, hunt, etc. The reserves also have a commercial component such as the forest product industry.

This proposal is a comprehensive update and an overhaul of the rules with the most prevalent changes entailing compliance with the statutes. Substantive changes relate to penalties (which refer back to the statute), and abandoned vehicles. Another change reflects the requirements as to how and when some of the forest reserve areas may be legally closed to the public as the reserves are currently open to the public at all times. Additional changes relate to permits, definitions of camping, and commercial use fees.

Shortly after bringing the proposed rules before this Board, DOFAW went through the public hearing process; this was deemed very successful as it resulted in meaningful dialogue and positive feedback. Forty-two comments were received; a majority of the comments related to proposed changes in the camping definitions. Based on this feedback minor changes were made.

There were also comments made at the public hearing regarding the proposed fee schedule for commercial use. While many of the comments were in favor of the proposed fees, a few suggested that the fees are increased even higher. Although increasing the fees was considered, it was determined that this would occur sometime in the future within the rule-drafting process.

The Board of Land and Natural Resources (BLNR) reviewed and approved the proposed rule changes in January 2020; it was recommended, at that time, that the rules continue to proceed through the process.

Chair Cundiff noted that DOFAW's rule-drafting process has been over two years with much outreach made to the community and the stakeholders. The fact that there was not a lot of negative comments is testimony to DOFAW's outreach for engaging and receiving such input.

Vice Chair Yamanaka made a motion to move the proposed amendments to the Governor for approval. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed to by individual member roll call.

IV. NEW BUSINESS – Before Public Hearing

A. Discussion and Action on Proposed New HAR Title 10 Chapter 4.1, Management of Water Systems, promulgated by Department of Hawaiian Home Lands (DHHL)

Chair Cundiff explained that this is a new DHHL rule and is being heard prior to the public hearings. Ms. Hokulei Lindsey, DHHL Administrative Rules Officers, stated that the rules entail everything related to a water system. The main concern is that DHHL will be raising water rates that will impact several small businesses connected to the water system located on Molokai.

While the water rates have not been increased since 2014, the proposed increase will help keep the water system running and allow DHHL to get as close as possible to a “self-sustaining” system. DHHL reached out to the impacted small businesses via letters to let them know that meetings were being held to discuss the rules and water rate changes. To date, there have not been any responses or comments to the letters.

Ms. Lindsey noted that a consultant was hired to assist in developing and drafting the language in the rules; this is standard procedure. Ms. Gigi Cairel, Grants Specialists at DHHL, confirmed this and explained that the consultant researched both the county rules and the industry standards. Although DHHL’s water systems are extremely small in size, which proves to be very challenging, they do not have nearly the economy of scale as the counties. However, even though the systems are unique and tailored, DHHL tries to mirror the county rules as much as possible.

In addition to the water system in Hoolehua, Chair Cundiff noted that the rules mention other water systems including Kawaihae, Kailapa, and Puukapu. He asked if DHHL researched and identified other water systems and what businesses, if any, may be impacted. In response, Ms. Cairel explained that DHHL owns and operates four water systems statewide. The Hoolehua water system is DHHL’s largest as it has over 800 connections. That water system services a mixture of Hawaiian home residents, small businesses, community facilities; i.e., the airport, post office, schools and churches on Molokai, as well as others.

Ms. Cairel further explained that DHHL’s other three water systems service 100% of the Hawaiian subdivisions; this entails residential, pastoral and agricultural. In regards to the inquiry of any delinquent payments from businesses and what, if any, small business impact there is due to the water rate fee increases, which is proposed at 20% over the next ten years, Ms. Cairel responded that she is aware of one small business (a farm) that may be financially impacted by the rate increases, though not the penalties or the fees. All of the other businesses are current on their payments.

Funds from the rate increases will be used to cover operational costs as current rates go toward the daily operations and management of the water system. The increases do not cover building reserves or major capital improvements; these are covered by a \$30 million federal grant and loans from the federal government. Although the 20% increase may appear to be substantial, Ms. Cairel stated that an affordability factor was included in the formula.

Vice Chair Yamanaka made a motion to advance the proposed new rules onto public hearing. Mr. Nakamoto seconded the motion, and the Board members unanimously agreed to by individual member roll call.

V. ADMINISTRATIVE MATTERS

- A. Update on the Board’s Upcoming Advocacy Activities and Programs in Accordance with the Board’s Powers under Section 201M-5, Hawaii Revised Statutes (HRS), including:

DEPARTMENT OF HAWAIIAN HOME LANDS

Adoption of Chapter 10-4.1
Hawaii Administrative Rules

[]

1. Chapter 10-4.1, Hawaii Administrative Rules, entitled "Management of Water Systems", is adopted to read as follows:

"HAWAII ADMINSTRATIVE RULES

TITLE 10

DEPARTMENT OF HAWAIIAN HOME LANDS

CHAPTER 4.1

MANAGEMENT OF WATER SYSTEMS

Subchapter 1 General Provisions

- §10-4.1-1 Purpose
- §10-4.1-2 Applicability
- §10-4.1-3 Definitions
- §10-4.1-4 General conditions for water service
- §10-4.1-5 Water pressure conditions and elevation agreement
- §10-4.1-6 Application for water service
- §10-4.1-7 Installation of water service
- §10-4.1-8 Responsibility for equipment
- §10-4.1-9 Payment of bills and delinquency

- §10-4.1-10 Discontinuance of service
- §10-4.1-11 Restoration of water service
- §10-4.1-12 Meter test and adjustment of bill
- §10-4.1-13 Underground leak adjustment
- §10-4.1-14 Water charge adjustment
- §10-4.1-15 Obstructed meter fine
- §10-4.1-16 Tampering prohibited
- §10-4.1-17 Accessing the consumer's premises
- §10-4.1-18 Cross-connection control and
backflow prevention
- §10-4.1-19 Interruption of water supply
- §10-4.1-20 Meter disconnection or reconnection
- §10-4.1-21 Change in service administration fee
- §10-4.1-22 Department fire hydrants and fire
protection
- §10-4.1-23 Water spigots
- §10-4.1-24 Consumer's sale of water
- §10-4.1-25 Electrical grounding
- §10-4.1-26 Unscheduled meter replacement
- §10-4.1-27 Compensation
- §§10-4.1-28 to 10-4.1-30 (Reserved)

Subchapter 2 Hawaiian Home Lands Public Water Systems

- §10-4.1-31 Water service rates
- §10-4.1-32 Meter reading and rendering of bills
- §10-4.1-33 Conservation and emergency measures
- §§10-4.1-34 to 10-4.1-40 (Reserved)

Subchapter 3 Puukapu Non-Potable Water System

- §10-4.1-41 General conditions
- §10-4.1-42 Monthly maintenance fee
- §10-4.1-43 Conservation measures and emergency
conditions
- §10-4.1-44 Unauthorized drawing of water

SUBCHAPTER 1

GENERAL PROVISIONS

§10-4.1-1 Purpose. The purpose of this subchapter is to promote the health, safety, and general welfare of the community by providing standards for governing water service provided by water systems in the exclusive control of the department. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-2 Applicability. This subchapter shall apply to all water systems under the exclusive control of the department. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-3 Definitions. As used in this chapter, unless plainly evident from the context that a different meaning is intended:

“Applicant” means any person who submits an application for water service or additional water service.

“Application” means a written request for water service or additional water service.

“Consumer” means the person, firm, corporation, association, or governmental entity, whether owner or tenant, whose name appears on the records of the department as the party responsible and liable for receiving water service from the department.

“Consumer's water system” means the pipes and plumbing extending from the water service connection.

“Cross-connection” means any actual or potential connection between the public water supply and a source of contamination or pollution.

"County" means the county where the department water service is located.

"Department of health" means the State of Hawaii department of health.

"Governmental entity" means any State of Hawaii or county department or office.

"Main" or "main pipe" means the department's supply or distribution pipe from which service connections are made.

"Non-potable water" means water that has not been certified by the department of health as suitable for cooking, drinking, and bathing purposes.

"Potable water" means water that has been certified by the department of health as suitable for cooking, drinking, and bathing purposes.

"Premises" means a parcel of real property and any structures thereon which have water service, will require water service, or requires additional water service.

"Public water system" means a water system which provides water for human consumption as provided by the department of health in title 11, Hawaii administrative rules chapter 20.

"Service lateral" means the main tap and complete installation of pipes, fittings, and appurtenances from the main to and including the meter.

"Water meter" or "meter" means a device that measures the volume of water delivered to any premises.

"Water service" means the delivery of water to any premises.

"Water spigot" means a water spigot or standpipe that is maintained by the department and connected to a public water system for lessee access to potable water.

"Water system" means a network of pipelines, main taps, storage, facilities, pumps, shut-off valve, and other appurtenances, wells, water filtration treatment facilities, or other sources which furnishes a supply of water to the premises. [Eff]

(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-4 General conditions for water service.

(a) Any applicant whose premises is located within service limits established by the department and adjacent to a distribution main where pressure conditions permit may obtain water service, provided that:

- (1) The existing water system servicing the area has adequate physical and legal capacity, as determined by the department, for such intended use without impairing service to existing consumers or future lessees;
- (2) All applicable fees and deposits for such service have been paid in full;
- (3) The applicant is not delinquent on other services in his or her name; and,
- (4) The applicant agrees to abide by the rules, regulations, and policies of the department relating to water service.

(b) Water service shall be restricted to the property for which the application is made.

(c) All water service supplied by the department shall be measured by means of meters furnished by the department and only the department is authorized to install water meters on department water systems.

(d) The department shall determine the final location and size of the service lateral. Service laterals shall be operated and maintained by the department.

(e) The department shall only be responsible for the operation and maintenance of water systems in its exclusive control, which may include contracted operations and maintenance services.

[Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-5 Water pressure conditions and elevation agreement. (a) The department shall exercise due diligence and reasonable care to maintain adequate pressure in its water mains but accepts no responsibility to maintain such pressure.

(b) Where a premise is situated at such an elevation that it cannot be assured of a dependable supply or of adequate service from the department's distribution system, the consumer, in consideration of water service and connection to the department's system:

- (1) Shall agree to accept such service as the department is able to render from its existing facilities;
- (2) Shall agree to install, if necessary, and maintain at the consumer's expense a tank and pump, with an air gap between the consumer's supply pipe and the department's system, of suitable design and of sufficient capacity to furnish an adequate supply of water; and
- (3) Shall execute a written release in favor of the department for all claims due to any inadequacy in the department's system or inadequacy of water supply to the premise including but not limited to lack of fire department services in the event of a fire.

(c) When the pressure of the department's supply fluctuates or is higher than that for which individual fixtures are designed, the consumer shall protect such fixtures by installing and maintaining pressure reducing, or relief valves, or both. The department shall not be liable for damage due to pressure conditions or for damages caused by or arising from the failure of, or the defective condition of such pressure regulators or relief valves, or for damage that may occur through the installation, maintenance, or use of such equipment. [Eff _____]

(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-6 Application for water service. (a)

Each prospective consumer shall complete a standard application form for the water service desired. Prospective consumers shall assume responsibility for

the payment of future charges for service at the location identified on the application before water is turned on for any use. The department shall inform the applicant in writing that the application is complete and accepted or if the application is deficient, what specific information is necessary to complete the application. The department shall assign an account number when the application is complete. The person, entity, or organization executing the application form shall be liable for the payment of all charges for water service at the designated location including a meter charge with each billing cycle as provided in section 10-4.1-31 and 10-4.1-42.

(b) Charges for service shall begin when the service lateral and the consumer's water system are physically joined and water is made available to the consumer, and will continue until:

- (1) The consumer makes a written request to discontinue service;
- (2) A judicial order to discontinue service is issued; or
- (3) The department discontinues service for failure of the consumer to comply with the provisions of this subchapter.

(d) When an application for water service is made by a former consumer who was responsible for and failed to pay all bills for water service previously rendered, regardless of location or time incurred, the department may refuse to furnish service to the premises of the applicant until the outstanding bills are paid.

(e) A consumer taking possession of the premises and using water without having made application for the transfer of water service shall be held liable for the water delivered from the date of the last recorded meter reading. If application for transfer is not made, and accumulated bills for water service are not paid upon presentation, the water service may be discontinued ten business days after written notice is sent to the consumer. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-7 Installation of water service. (a)

When an application for water service has been approved, water service shall be installed as approved. There shall be one meter for each service, unless the department, because of operating necessity, installs a combination meter, or two or more meters in parallel. All meters shall be tested for accuracy before installation. All meters shall be installed along the property boundary, unless, due to operating necessity or other extenuating situations, the department approves installation of the meter elsewhere.

(b) It is the consumer's responsibility and expense to install their supply pipe and water system, to connect such system to the department's service lateral, and to install an approved backflow prevention device on the consumer's system on the downstream side of the meter. The department may provide backflow prevention devices to lessees as a means to protect the public water system, however the cost of installation shall be paid by the consumer within thirty days of installation. The consumer's water system shall, at all times, remain the sole property of the consumer, who shall be responsible for its maintenance, repair, and replacement.

(c) A readily accessible shutoff valve controlling all outlets shall be installed by the department on the consumer's water service supply pipe at a location to be determined by the department. In addition, the department may install a shutoff valve before the meter for the use of employees of the department. If a replacement of the shutoff valve is necessary on the consumer's side of the service supply pipe, it shall be installed by the department and paid for by the consumer.

(d) The department may make the connection to the consumer's water service supply pipe once the consumer installs the supply pipe at the approved location.

(e) Only the department may connect or disconnect the water service to or from the department's main.

(f) When the proper size of service lateral for any premises has been determined and the department has made installation at the location specified by the consumer, the department has fulfilled its obligations insofar as the size of the service and the location thereof are concerned. If the consumer desires a change in size of the service lateral or a change in the location thereof, the consumer shall bear all costs of such change.

(g) Whenever a check valve or pressure reducing valve is installed on the consumer's cold water supply line between the meter and the hot water storage tank or heater, there shall be installed on the consumer's hot water distribution system a suitable pressure relief valve.

(h) Once installed, any costs associated with the repair or replacement of damaged or missing meters and services will be charged to the consumer. Such costs include but are not limited to gaskets, meter boxes, lid inserts, meters, pressure regulator valves, related labor, equipment, vehicles, and materials. This does not include replacement of meters that are operating outside of tolerances. [Eff]
(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-8 Responsibility for equipment. (a) At the consumer's own risk and expense, the consumer shall furnish, install, and keep in good, safe, and operating condition all equipment that may be required for receiving, controlling, applying, and utilizing water. The department shall not be responsible for any loss or damage caused by the improper installation of such equipment, or the negligence, want of proper care, or wrongful act of the consumer.

(b) Water service may be discontinued to any consumer whose water system includes plumbing fixtures or water containers in any form, or of any use, which in the opinion of the department may contaminate the department's water supply or may endanger the public

water supply from a public health standpoint. Any such discontinuation of service shall continue until such dangerous fixtures or uses have been corrected, removed or discontinued, and the department is assured that the dangerous fixtures or uses will not be reinstalled or resumed.

(c) The department shall not be responsible for damage to property caused by spigots, faucets, valves, and other equipment that may be open when water is turned on at the meter either when turned on originally or when turned on after temporary shutdown.

(d) All service laterals are the property of the department and shall be operated and maintained by the department.

(e) All equipment belonging to the department and installed upon the consumer's premises for measurement, test, check, or any other purpose, shall continue to be the property of the department, and the department may access the consumer's premises without consent whenever necessary to inspect, maintain, repair, replace, or remove the equipment. The consumer shall exercise reasonable care to prevent damage to meters and other equipment of the department upon the premises and shall in no way interfere with the operation of the same.

(f) Any cost to repair damaged water mains, service laterals, valves, fire hydrants, or other property of the department shall be paid for by the party responsible for the damage. The consumer shall be liable for any damage to a meter or other equipment or property of contractors, licensees or permittees, on the consumer's premises, and the department shall be promptly reimbursed by the consumer for any such damage upon presentation of the bill thereof. In the event settlement for such damage is not made within thirty days, the department may discontinue water service to the premises according to 10-4.1-10.

(g) When a meter is found to have been damaged by hot water or steam emanating from the premises served, the consumer shall pay for all costs required to repair the meter. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-9 Payment of bills and delinquency. (a)

All bills shall be due and payable within twenty-one days from the bill date. Payment shall be made at the office of the department or, at the department's option, to duly authorized collectors of the department. Any bill not paid within thirty days from the bill date, shall be considered delinquent and the water service shall be subject to shut-off. There shall be a service charge for payments made by check or electronic debit which have been dishonored for any reason. The service charge shall be as set in section 40-35.5, HRS. On accounts where payments have been dishonored more than four times in one calendar year, the department may require payment on the account to be made by cash, by certified or cashier's check or by money order, and may require a deposit equal to the highest amount billed in the last twelve months to be held.

(b) An account is delinquent when it is not paid in full within thirty days after the bill date. A late payment charge shall be assessed at an amount of one per cent for each month or fraction thereof against the delinquent balance. When a delinquent account remains unpaid twenty-one days after the second regular billing, water service for the account may be discontinued.

(c) The department may enter into a payment agreement with a consumer to facilitate the payment of delinquent water charges. The terms of a payment agreement between the department and a lessee-consumer may include alternative payment methods and shall not exceed the term of five years. Current charges shall continue to be paid when due. The agreement shall be signed by the department and the consumer, and breach of such an agreement by the consumer shall result in further collection efforts including disconnection.

(1) Alternative payment methods are goods that are grown, caught, or produced by the consumer and donated to the homestead community on island or services provided by

the consumer free of charge to the department. Goods shall be dropped off at the district office at a time determined by the district office supervisor for distribution among beneficiaries. Services shall be provided to the department as determined by the district office supervisor.

- (2) The value of the alternative payment methods rendered shall not exceed five per cent of the delinquent amount. All terms regarding alternative payment methods, including the goods or services or both to be donated, valuation, and dates and times of service or drop off shall be included in the payment agreement. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-10 Discontinuation of service. (a) The department may refuse or discontinue water service for any of the following reasons:

- (1) Non-payment of bills or fees. If the consumer fails to pay any sums due, the department may discontinue service five business days after written notice is given to the consumer.
- (2) Noncompliance with rules and regulations. If the consumer fails to comply with any of the department's rules and regulations and noncompliance is not corrected within five business days after written notice is given to the consumer, the department may discontinue service.
- (3) Unauthorized use of water. Without notice, the department may refuse or discontinue water service to any premises or consumer to protect itself against fraud, abuse or unauthorized use of water. For unauthorized use of water, a surcharge may be assessed as provided in section 10-4.1-31 and 10-4.1-42.

- (4) Wasteful use of water. Where negligent or wasteful use of water exists on any premises and such conditions are not corrected within five business days after written notice is given to the consumer, the department may discontinue service.
- (5) Service detrimental to others. The department may refuse to furnish water and may discontinue the service to any premises where the demands of the consumer will result in inadequate service to others.

(b) Where discontinuation of water service for any of the above reasons is proposed, the department shall, prior to the proposed shut off, give the consumer written notice at least five business days before shut off. The notice shall specify the reasons for the proposed shut off as well as inform the consumer of the right to dispute the shut off by making appropriate request to the department at the address or phone number provided on the notice. The notice shall further inform the consumer that once water service has been discontinued, water service may be restored but only in accordance with section 10-4.1-11.

(c) If the consumer wishes to dispute the shut off, the consumer shall within five business days from the date of the notice of shut off, request a billing conference. Once requested, the billing conference shall be scheduled at the earliest reasonable opportunity for the consumer and in no case more than ten days from the request and the consumer shall be given the option of having the conference over the phone or in person with a district office supervisor from another district office that manages a department water system. If an in person conference is requested, the district office supervisor shall travel to meet with the consumer on the consumer's island. The district office supervisor conducting the billing conference shall not have previously been involved in the case, shall objectively review the basis for water shut off, shall be subject to all state ethics rules on conflicts of interest, and shall exercise impartial

judgment in deciding the merits of the consumer's request for reinstatement of water service.

- (1) At the billing conference, the consumer shall have the right to submit evidence, present and cross examine witnesses, and bring a representative to aid in presenting the case. The consumer shall have the right to see the department's records concerning the account and shall have the right to reasonable explanation for any matter concerning the proposed discontinuance of service. The district office supervisor conducting the billing conference shall be empowered to correct any errors in billing and to take whatever remedial action is necessary if the consumer presents evidence that would demonstrate by a preponderance of the evidence that the consumer is not responsible for conditions leading to the department's decision to shut off service other than non-payment of the water bill. The district office supervisor conducting the billing conference shall make a written decision within three business days of the conference.
- (2) If the consumer is dissatisfied with the decision from the billing conference, the consumer shall have the right within five business days of receipt of the written decision to appeal the matter to the chairman or the chairman's designee. The amount due shall be paid into an escrow trust account after the billing conference with the district office supervisor and shall not be postponed pending the appeal. The chairman or the chairman's designee shall review the consumer's written appeal and the billing conference record and decision for compelling factual, legal, or procedural errors, or any combination

thereof, and render a final written decision affirming the district office supervisor's written decision or remanding the matter to the district office supervisor for further handling pursuant to the chairman's or the chairman's designee's written decision and direction on appeal. The decision of the chairman shall be final.

(d) A charge of \$150 shall be added to each account in which service is discontinued if the consumer or other party cuts the lock and turns the meter on without prior approval of the department. The meter shall be removed and the water service capped off. Water service shall not be reconnected until the consumer has paid the past due water charges, water disconnection charges, and the meter disconnection and reconnection charges.

(e) An account that remains disconnected or suspended because of delinquent payment shall continue to accrue monthly base rate service charges as well as late fees.

(f) A consumer about to vacate any premises supplied with water by the department shall give written notice of their intention to vacate, specifying the date service should be discontinued. If the consumer fails to give such notice, the consumer shall be responsible for all water service furnished to such premises until the department has received a notice of discontinuance. Before buildings with water service are demolished, the department shall be notified so the water service can be shut off.

(g) The department may remove a meter for non-use after one year of non-use. A consumer whose meter is removed for non-use forfeits all previous fees and reapplication shall be treated as a new service connection with applicable costs. [Eff]
 (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-11 Restoration of water service. Water service shall not be resumed until all of the consumer's delinquent accounts, including all charges, fees, and reinstallation costs, including one hour of labor, and materials, transportation, and any other overhead costs for the meter reinstallation and reactivation, have been paid in full or the consumer has entered into and signed an approved payment plan. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-12 Meter test and adjustment of bill.

(a) Any consumer who has a reasonable doubt of the accuracy of the meter serving his or her premises may request a test of the meter. The consumer may request to be notified as to the time of the test and may witness the test. No charge shall be made for meter tests unless such tests are requested more often than once every twelve months.

(b) If, as a result of the test, the meter is found to register more than five percent fast under conditions of normal operation, the department shall refund to the consumer the overcharge based on past consumption, for a period not exceeding six months, unless it can be proven that the error was due to some cause, the date of which can be fixed, then the overcharge shall be computed back to, but not beyond, such date.

(c) The consumer has sole control of the water delivered beyond the department's meter and the department is not responsible for the maintenance and repairs to pipes and fixtures beyond the meter.

(d) If the meter fails to register due to any cause except the non-use of water, an average bill may be rendered. Such average bill will be subject to equitable adjustment taking into account all factors before, during, and after the period of said bill. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-13 Underground leak adjustment. (a) If a consumer experiences a leak within their water line, the consumer may request the department provide a leak adjustment for excessive bills provided a leak adjustment was not granted to the consumer within the twelve month period prior to the request and the leak was reported to the department and repaired within thirty days of detection. The adjustment shall be one-half of the excess consumption over a normal bill.

(b) No additional refunds shall be given.

(c) If there is not an existing valve on the consumer side of the meter, there shall be no credit processed on the account until a valve is installed.

(d) Department personnel shall be dispatched to inspect the consumer's meter to verify the leak has been repaired. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-14 Water charge adjustment. Errors in billing or collection shall be corrected in a timely manner by the department. Resulting credits on accounts or refunds shall be made as expeditiously as possible. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-15 Obstructed meter fine. (a) The department shall charge the consumer an obstructed meter fine of twenty-five dollars per billing period when access to the water meter is significantly obstructed by landscaping or other barriers and the meter cannot be read. This fine shall be applied only after the property owner has been notified, via a door hanger, that the obstruction exists and that the problem must be corrected by the time of the next meter reading.

(b) If the consumer fails to remove the obstruction, the department may remove the obstruction

and bill the consumer twenty-five dollars for the cost of remediation. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-16 Tampering prohibited. (a) Any person found tampering with service laterals, water meters, the valve, or stopcock before the meter shall be guilty of a misdemeanor, pursuant to section 701-107(3), HRS, and shall be liable for all costs associated with any repair to the service lateral, water meter, valve, or stopcock.

(b) A late payment charge shall be assessed at the rate of one per cent for each month or fraction thereof against costs associated with repairs for tampering that go unpaid for thirty days following the date of billing. After sixty days, the delinquency shall be reported to the commission and the amount due turned over to collections. Further legal action may be taken with commission approval.
[Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-17 Accessing the consumer's premises. Any properly identified officer or employee of the department shall have the right of ingress to and egress from the consumer's premises at any reasonable hour, and at any hour during an emergency, for any purpose reasonably connected to the protection of the public drinking water system and furnishing of water to said premises and the exercise of all rights secured to it by law or this subchapter. If the officer or employee is prevented from carrying out the duties, the department may shut off water service to said premises five business days after written notice

is given to the consumer. [Eff]
 (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-18 Cross-connection control and backflow prevention. (a) No cross-connections shall be made without the written consent of the department.

(b) It is unlawful for any person to make, maintain, or cause temporarily or permanently, any cross-connection that has a potential for backflow between their plumbing pipes or water fixtures and the department's water system. Existing cross-connections between the department's water system and any auxiliary water supply shall be eliminated or protected by means of an approved backflow prevention assembly. Cross-connection control and backflow prevention requirements for facilities and premises shall be in accordance to this subchapter.

(c) The department may require installation of an approved backflow prevention assembly on the consumer's side of the meter at the consumer's expense before service will be provided. The department may provide for the installation of an approved backflow prevention assembly to homestead lots in the service area.

(d) If uninterrupted water service is necessary, an additional backflow prevention assembly may be installed in an approved manner to ensure continued water service whenever inspection, testing and repair procedures is being performed on any one of these assemblies.

(e) The backflow prevention assembly installed in accordance with these rules shall, unless otherwise approved by the department in writing, be located above ground and in a manner safe from flooding or submergence in water or other liquid, properly protected from external damage, freely accessible, and with adequate working room for inspections, testing, and repairing.

(f) All backflow prevention devices shall be tested at least once annually and as often as required

by the department where successive tests indicate repeated failure. Repairs, replacement of parts, or any other maintenance shall be made whenever deemed necessary by the department and at the expense of the consumer. The annual test shall be the responsibility of the consumer and shall be made in accordance with methods approved by the department. Upon request by the department, the consumer shall present an affidavit certifying that there are no cross-connections of the type prohibited under this rule on the premises or describing in detail all nonconforming connections or installations.

(g) Records of tests, repairs, parts, and inspections shall be made on forms prescribed by the department and furnished to the department. Failure of the consumer to properly test and submit the records may, at the option of the department, result in termination of service or the department making the tests, repairing and replacing any equipment, and charging the cost to the consumer.

(h) When a backflow prevention assembly fails in service, the consumer shall notify the department. Repairs are the responsibility of the consumer. A certified general tester shall perform the testing. Backflow prevention assembly test forms shall be completed and sent to the department for confirmation that the device has been properly repaired and functions as required. Inspection and approval by the department shall be conducted before the device is put back into operation.

(i) When the department encounters water uses that represent a clear and immediate hazard to the department's water supply that cannot be immediately abated, the department shall terminate water service at the premises immediately. Written notice shall be given to the consumer after water service termination.

(j) For other situations requiring backflow protection where there is not apparent and immediate hazard to the water supply, the department may terminate water service to a consumer's premises after proper notification has been sent.

(k) Conditions relative to the installation and maintenance of cross-connection control and backflow prevention referred to in this section shall be subject to change to meet changing requirements of federal, state, and county laws, ordinances, and rules. [Eff _____] (Auth: HHC Act §222)
(Imp: HHC Act §221)

§10-4.1-19 Interruption of water supply. (a)

While the department shall exercise reasonable diligence and care to deliver an adequate supply of potable water under reasonable pressure, the department shall not be financially liable for any direct or consequential damages resulting from water supply interruption, shortage, insufficiency of supply, inadequate or excessive water pressure, leakage on the consumer's premises, or temporary colored and turbid water quality conditions caused by emergency repair of water mains. The department further disclaims all warranties, expressed or implied, and reserves the right to shut off water mains for repairs, extensions, or alterations, and to terminate water service as provided herein for conservation measures, during emergency conditions, and for other reasons deemed by the department to be necessary and proper without notice.

(b) The department may shut off water from the mains without notice for making repairs, extensions, alterations, or for other reason. Consumers depending upon a continuous supply of water shall provide for their own emergency water storage and any check valves or other devices necessary for the protection of plumbing or fixtures against failure of the pressure or supply of water in the department's mains. Repairs or improvements shall be completed as rapidly as practicable. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-20 Meter disconnection or reconnection fees. (a) The department shall charge a fee equal to one hour of labor and overhead costs to those consumers requesting disconnection or reconnection of a water meter when not related to an account delinquency. The department shall apply such charges to the consumer's account.

(b) Upon request and payment of a turn off fee the department shall turn off the water at the meter during regular business hours. Upon request and payment of a turn on fee, the department shall turn on the water at the meter during regular business hours. [Eff] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-21 Change in service administration fee. (a) The department shall levy a charge when a change in service status requires administrative action or a special meter reading by department personnel.

(b) When a change in account status requires a special water meter reading by the department a fee equal to one hour of labor and costs shall be charged to the consumer. When a change in account status does not require a special water meter reading by the department the standard change of owner fee shall be charged to the consumer. [Eff] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-22 Department fire hydrants and fire protection. (a) Any use of a fire hydrant, fire protection reservoir, or the taking of water from one for purposes other than fire protection by persons other than authorized employees of the fire department or of the department is prohibited without a written permit from the department. The fire department shall have the prior right to use any hydrant at any time and shall have the authority to remove peremptorily, if necessary in case of emergency, any connection

approved by the department. The fire department shall notify the department when use of water during non-fire events, including training, is contemplated. Hydrant main line valves shall not be used to control flows. The fire department shall coordinate with the department during a fire emergency to prevent damage to the water system.

(b) The department may provide water to a governmental entity provided the governmental entity first submits a written hydrant permit application and agrees to all the terms and conditions contained therein including but not limited to notifying the department when any use of water is contemplated, paying a security deposit for a meter assembly and backflow prevention device and utilizing the meter assembly and backflow prevention device. Any failure of the permittee to properly utilize the meter assembly to record water taken through the fire hydrant shall constitute a violation of the hydrant permit and shall immediately terminate the hydrant permit and the permittee's right to draw water. Hydrant permits shall not be issued for a period longer than six months. Renewal shall be allowed on a case by case basis.

(c) Any damage to fire hydrants, and any consequent resulting loss or damage to property, or any injury to persons arising from or out of the damage to fire hydrants shall be paid for by the person or legal entity responsible for the damage. All repairs for any damage to fire hydrants shall be paid by the person or entity responsible for the damage.

(d) Any persons or entities, or both, found to have used, obstructed, or tampered with a department fire hydrant without the express written consent of department shall be assessed fees and charges including the estimated amount of the water taken, water discharged by the department to clear the mains, labor and materials, and administrative costs. Each invoice not paid within ten calendar days of date thereon will accrue a late charge equal to five per cent of the unpaid balance at the time it becomes

delinquent and an additional five per cent for each month delinquent thereafter.

(e) The department shall, if it approves the request for a change in location of a hydrant, change such location; provided, that all labor, material, equipment, and all other costs and charges are paid in advance by the consumer. [Eff]

(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-23 Water spigots. (a) The department may provide water spigots connected to public water systems. The water spigot shall be labeled with the appropriate public water system number as issued by the department of health. Each water spigot, and water spigot area, shall be maintained by the department in a manner suitable for lessee access to potable water.

(b) Each spigot shall be metered and the commission shall set the maximum amount that may be drawn from each spigot during a single billing cycle.

(c) The department shall manage access to the spigot by reasonable means.

(d) The department may restrict spigot use during time of water restrictions.

(e) The department guarantees potable water only to the point of withdrawal from the public water system. [Eff] (Auth: HHC Act §222)

(Imp: HHC Act §221)

§10-4.1-24 Consumer's sale of water. Subject to civil or criminal prosecution or both, unless specifically agreed upon by the commission, the consumer shall not sell any water received or purchased from the department. [Eff]

(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-25 Electrical grounding. (a)

Protective grounding of alternating current secondary distribution circuits made to the water system shall conform in all details with the national electrical code of the national board of fire underwriters and with the county building code where the water system is located.

(b) The department shall not be responsible for any damage or injury caused by any electrical grounding.

(c) No grounding of direct current to any portion of the water system shall be permitted.

(d) No grounding other than as provided in this section shall be made to any portion of the water system without the department's written approval.

(e) The department shall not be responsible for the maintaining of a continuous metallic water piping system and reserves the right, without liability to public utility electric companies, electric consumers, or any other agency, consumer, or individual, to create a physical break in its service laterals and mains, or to incorporate non-metallic pipes and appurtenances in its system and to make joints of any materials, without regard to their efficiency as conductors of electricity and without giving notice.

[Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-26 Unscheduled meter replacement.

If a consumer requests a meter replacement prior to the scheduled routine replacement, the consumer will be billed for the service call plus the current cost of the meter. As is the case with all new meters, upon installation the meter becomes the property of the department. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-27 Compensation. Employees of the department are strictly forbidden to demand or accept personal compensation for services rendered.

[Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§§10-4.1-28 to 10-4.1-30 (Reserved)

SUBCHAPTER 2

HAWAIIAN HOME LANDS PUBLIC WATER SYSTEMS

§10-4.1-31 Water service rates. (a) The department shall conduct a cost of service study annually, based upon enterprise accounting, and a water service rates analysis at least every three years.

(b) Water service rates for each department owned public water system shall be established by the commission and attached to this chapter. Effective July 1, 2019, once each fiscal year the commission may adjust base water service charges by no more than ten per cent per thousand gallons of water delivered. Effective upon approval by the commission, water service rates are set as follows:

- (1) The table entitled, "Hoolehua Water System Service Rates Approved on April 17, 2018", dated April 17, 2018, attached as Exhibit "A" at the end of this chapter and made part of this chapter.
- (2) The table entitled, "Kawaihae Water System Service Rates Approved on May 14, 2018", dated May 14, 2018, attached as Exhibit "B" at the end of this chapter and made part of this chapter.
- (3) The table entitled, "Anahola Water System

Service Rates Approved on August 21, 2018", dated August 21, 2018, attached as Exhibit "C" at the end of this chapter and made part of this chapter. [Eff]
 (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-32 Meter reading and rendering of bills.

(a) Meter readings and billings shall be on at least a bi-monthly basis, except for closing of accounts for special conditions with the approval of the department.

(b) Closing bills for a period shorter than the regular billing period shall be determined by the sum of the charges per water meter reading and prorating of the monthly service charge. If a meter cannot be read, an estimated bill shall be rendered following acceptable practices using the reading, where available, of the same time the previous year.

(c) Bills for metered water service shall be on a per meter basis. If the consumer has more than one metered installation on the premises, each meter shall be billed separately. [Eff] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-33 Conservation and emergency measures.

(a) Whenever, in the department's opinion, special conservation measures are advisable to forestall water shortage or an emergency, the department may restrict the use of water by any means or method of control. The department shall also have the right to limit the quantity of water taken from any of its facilities. In determining the priorities in restricting the use of water, the health and safety of the public shall be given first consideration over other uses.

(b) When the department's water supply usage exceeds the rate of resupply, the commission may declare a water shortage or emergency and further

restrict the use of water by any means or method of control.

(c) The department shall notify consumers of emergency conditions by written communication through mailing, electronic posting, or the newspaper, or combination thereof. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§§10-4.1-34 to 10-4.1-40 (Reserved)

SUBCHAPTER 3

PUUKAPU NON-POTABLE WATER SYSTEM

§10-4.1-41 General conditions. (a) The water supplied by the Puukapu non-potable water system is intended to be used only for pastoral uses consistent with pastoral leases. Consumers may not use water for any other purpose except with the express written consent of the department. The department makes no guarantee, warranty, or representation, expressed or implied, as to the quality, quantity, flow rate, condition, or fitness of the water supplied for any use or purpose.

(b) The department shall deliver water to the lot of each consumer at the ground elevation and at the outlet site as the department may establish upon each consumer's land convenient with the operation of the department's irrigation system, and it shall be the responsibility of each consumer to provide for the distribution of water upon the consumer's lot by the consumer's own method. [Eff _____] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-42 Monthly maintenance fee. (a) The lease shall provide service conditions and for the assessment of the monthly maintenance fee set as follows: the table entitled, "Puukapu Maintenance Fee" Approved on May 19, 2014 and Extended on May 15, 2018", dated May 15, 2018, attached as Exhibit "D" at the end of this chapter and made part of this chapter. [Eff] (Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-43 Conservation measures and emergency conditions. (a) Whenever, in the department's opinion, special conservation measures are deemed necessary to forestall a water shortage and a consequent emergency, the department may restrict or ration the use of water by any method or means of control. Livestock watering consumers may be required to install an automatic water flow control device to prevent waste or continued overflow from livestock drinking troughs. Each device shall be approved by the department prior to installation and shall be tested periodically to determine its functionality.

(b) The department reserves the right in times of declared emergency to allow the use of water for emergency purposes. Charges for the water used shall be established by the commission based on the nature of the emergency and attendant circumstances.

(c) During periods of special conservation measures, the department shall develop notices and criteria for the manner in which water will be delivered, restricted, and allocated for the duration for the emergency. Violations of the restrictions or allocations may result in the discontinuance of service, additional water toll surcharges, or the removal of the water connection.

(d) Upon declaration of emergency conditions and implementation of mandatory conservation measures (i.e., ten per cent, twenty per cent, or thirty per cent cutbacks), consumers exceeding the level of

mandatory cutback shall be assessed a surcharge as established by the commission. [Eff]
(Auth: HHC Act §222) (Imp: HHC Act §221)

§10-4.1-44 Unauthorized drawing of water. (a)

No person or entity shall be permitted to draw water from any part of the system without the written consent of the department. No approval shall be granted in cases where, in the opinion of the department, the drawing of water may adversely affect the water service extended by the department to lessees.

(b) Approvals given by the department under this section are subject to revocation upon thirty days written notice." [Eff] (Auth: HHC Act §222) (Imp: HHC Act §221)

2. The adoption of chapter 10-4.1, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules drafter in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on [] and filed with the Office of the Lieutenant Governor.

WILLIAM J. AILA, JR., Chairman
Hawaiian Homes Commission

APPROVED AS TO FORM:



Deputy Attorney General

HOOLEHUA WATER SYSTEM SERVICE RATES
 APPROVED ON APRIL 17, 2018

Lessee Service Rates:

Lessee water service delivery (usage) tiers:

	Gallons Bi-Monthly
Tier 1	0 - 10,000
Tier 2	10,001 - 25,000
Tier 3	Over 25,000

Residential lessee meter service (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$6.21	\$6.82	\$7.43	\$8.04	\$8.65	\$9.26	\$9.87	\$10.48	\$11.09	\$11.70
3/4"	\$7.76	\$8.53	\$9.29	\$10.05	\$10.82	\$11.58	\$12.34	\$13.10	\$13.87	\$14.63
1"	\$12.75	\$14.01	\$15.26	\$16.51	\$17.77	\$19.02	\$20.27	\$21.53	\$22.78	\$24.04
1 1/2"	\$24.40	\$26.80	\$29.19	\$31.59	\$33.99	\$36.39	\$38.79	\$41.18	\$43.58	\$45.98
2"	\$33.27	\$36.54	\$39.81	\$43.08	\$46.35	\$49.62	\$52.89	\$56.16	\$59.43	\$62.70
3"	\$66.54	\$73.08	\$79.62	\$86.16	\$92.70	\$99.24	\$105.78	\$112.32	\$118.86	\$125.40
4"	\$121.99	\$133.98	\$145.97	\$157.96	\$169.95	\$181.94	\$193.93	\$205.92	\$217.91	\$229.90
6"	\$216.26	\$237.51	\$258.77	\$280.02	\$301.28	\$322.53	\$343.79	\$365.04	\$386.30	\$407.55
8"	\$332.70	\$365.40	\$398.10	\$430.80	\$463.50	\$496.20	\$528.90	\$561.60	\$594.30	\$627.00

Residential lessee water service delivery (usage) fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$1.53	\$1.65	\$1.76	\$1.87	\$1.99	\$2.10	\$2.22	\$2.33	\$2.44	\$2.56
Tier 2	\$2.06	\$2.22	\$2.37	\$2.52	\$2.67	\$2.83	\$2.98	\$3.13	\$3.29	\$3.44
Tier 3	\$2.43	\$2.61	\$2.79	\$2.97	\$3.15	\$3.33	\$3.51	\$3.69	\$3.87	\$4.05

(CONTINUED)

Agriculture lessee meter service (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$6.21	\$6.82	\$7.43	\$8.04	\$8.65	\$9.26	\$9.87	\$10.48	\$11.09	\$11.70
3/4"	\$7.76	\$8.53	\$9.29	\$10.05	\$10.82	\$11.58	\$12.34	\$13.10	\$13.87	\$14.63
1"	\$12.75	\$14.01	\$15.26	\$16.51	\$17.77	\$19.02	\$20.27	\$21.53	\$22.78	\$24.04
1 1/2"	\$24.40	\$26.80	\$29.19	\$31.59	\$33.99	\$36.39	\$38.79	\$41.18	\$43.58	\$45.98
2"	\$33.27	\$36.54	\$39.81	\$43.08	\$46.35	\$49.62	\$52.89	\$56.16	\$59.43	\$62.70
3"	\$66.54	\$73.08	\$79.62	\$86.16	\$92.70	\$99.24	\$105.78	\$112.32	\$118.86	\$125.40
4"	\$121.99	\$133.98	\$145.97	\$157.96	\$169.95	\$181.94	\$193.93	\$205.92	\$217.91	\$229.90
6"	\$216.26	\$237.51	\$258.77	\$280.02	\$301.28	\$322.53	\$343.79	\$365.04	\$386.30	\$407.55
8"	\$332.70	\$365.40	\$398.10	\$430.80	\$463.50	\$496.20	\$528.90	\$561.60	\$594.30	\$627.00

Agriculture lessee water service delivery (usage) fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$1.53	\$1.65	\$1.76	\$1.87	\$1.99	\$2.10	\$2.22	\$2.33	\$2.44	\$2.56
Tier 2	\$2.06	\$2.22	\$2.37	\$2.52	\$2.67	\$2.83	\$2.98	\$3.13	\$3.29	\$3.44
Tier 3	\$0.82	\$0.88	\$0.94	\$1.00	\$1.06	\$1.12	\$1.19	\$1.25	\$1.31	\$1.37

(CONTINUED)

Non-Beneficiary Service Rates:

Non-Beneficiary water service delivery (usage) tiers:

	Gallons Bi-Monthly
Tier 1	0 – 10,000
Tier 2	10,001 – 30,000
Tier 3	Over 30,000

Non-Beneficiary commercial / non-agriculture meter service
 (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$40.35	\$50.70	\$61.05	\$71.40	\$81.75	\$92.10	\$102.45	\$112.80	\$123.15	\$133.50
3/4"	\$59.18	\$74.36	\$89.54	\$104.72	\$119.90	\$135.08	\$150.26	\$165.44	\$180.62	\$195.80
1"	\$94.15	\$118.30	\$142.45	\$166.60	\$190.75	\$214.90	\$239.05	\$263.20	\$287.35	\$311.50
1 1/2"	\$182.92	\$229.84	\$276.76	\$323.68	\$370.60	\$417.52	\$464.44	\$511.36	\$558.28	\$605.20
2"	\$282.45	\$354.90	\$427.35	\$499.80	\$572.25	\$644.70	\$717.15	\$789.60	\$862.05	\$934.50
3"	\$524.55	\$659.10	\$793.65	\$928.20	\$1,062.75	\$1,197.30	\$1,331.85	\$1,466.40	\$1,600.95	\$1,735.50
4"	\$860.80	\$1,081.60	\$1,302.40	\$1,523.20	\$1,744.00	\$1,964.80	\$2,185.60	\$2,406.40	\$2,627.20	\$2,848.00
6"	\$1,708.15	\$2,146.30	\$2,584.45	\$3,022.60	\$3,460.75	\$3,898.90	\$4,337.05	\$4,775.20	\$5,213.35	\$5,651.50
8"	\$2,690.00	\$3,380.00	\$4,070.00	\$4,760.00	\$5,450.00	\$6,140.00	\$6,830.00	\$7,520.00	\$8,210.00	\$8,900.00

Non-Beneficiary commercial / non-agriculture water service
 delivery (usage) fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$2.21	\$2.63	\$3.04	\$3.46	\$3.87	\$4.28	\$4.70	\$5.11	\$5.53	\$5.94
Tier 2	\$4.12	\$4.89	\$5.66	\$6.43	\$7.20	\$7.97	\$8.74	\$9.51	\$10.28	\$11.06
Tier 3	\$6.09	\$7.23	\$8.37	\$9.50	\$10.64	\$11.78	\$12.92	\$14.06	\$15.20	\$16.34

(CONTINUED)

Exhibit "A"
 April 17, 2018

Non-Beneficiary commercial / agriculture meter service (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$40.35	\$50.70	\$61.05	\$71.40	\$81.75	\$92.10	\$102.45	\$112.80	\$123.15	\$133.50
3/4"	\$59.18	\$74.36	\$89.54	\$104.72	\$119.90	\$135.08	\$150.26	\$165.44	\$180.62	\$195.80
1"	\$94.15	\$118.30	\$142.45	\$166.60	\$190.75	\$214.90	\$239.05	\$263.20	\$287.35	\$311.50
1 1/2"	\$182.92	\$229.84	\$276.76	\$323.68	\$370.60	\$417.52	\$464.44	\$511.36	\$558.28	\$605.20
2"	\$282.45	\$354.90	\$427.35	\$499.80	\$572.25	\$644.70	\$717.15	\$789.60	\$862.05	\$934.50
3"	\$524.55	\$659.10	\$793.65	\$928.20	\$1,062.75	\$1,197.30	\$1,331.85	\$1,466.40	\$1,600.95	\$1,735.50
4"	\$860.80	\$1,081.60	\$1,302.40	\$1,523.20	\$1,744.00	\$1,964.80	\$2,185.60	\$2,406.40	\$2,627.20	\$2,848.00
6"	\$1,708.15	\$2,146.30	\$2,584.45	\$3,022.60	\$3,460.75	\$3,898.90	\$4,337.05	\$4,775.20	\$5,213.35	\$5,651.50
8"	\$2,690.00	\$3,380.00	\$4,070.00	\$4,760.00	\$5,450.00	\$6,140.00	\$6,830.00	\$7,520.00	\$8,210.00	\$8,900.00

Non-Beneficiary commercial / agriculture water service delivery (usage) fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$2.21	\$2.63	\$3.04	\$3.46	\$3.87	\$4.28	\$4.70	\$5.11	\$5.53	\$5.94
Tier 2	\$4.12	\$4.89	\$5.66	\$6.43	\$7.20	\$7.97	\$8.74	\$9.51	\$10.28	\$11.06
Tier 3	\$6.09	\$7.23	\$8.37	\$9.50	\$10.64	\$11.78	\$12.92	\$14.06	\$15.20	\$16.34

(END Exhibit "A")

KAWAIHAE WATER SYSTEM SERVICE RATES
 APPROVED ON MAY 15, 2018

Residential Lessee Service Rates:

Residential lessee meter service (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$49.07	\$63.37	\$77.70	\$92.06	\$106.46	\$120.90	\$135.37	\$149.88	\$164.42	\$179.01

Residential lessee service delivery (usage) tiers:

	Gallons Bi-Monthly
Tier 1	0 - 10,000
Tier 2	10,001 - 30,000
Tier 3	30,001 - 80,000
Tier 4	Over 80,000

Residential lessee service delivery (usage) fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$3.67	\$4.73	\$5.81	\$6.88	\$7.95	\$9.03	\$10.11	\$11.20	\$12.28	\$13.37
Tier 2	\$4.92	\$6.35	\$7.79	\$9.23	\$10.68	\$12.12	\$13.58	\$15.03	\$16.49	\$17.95
Tier 3	\$6.89	\$8.90	\$10.92	\$12.94	\$14.96	\$16.99	\$19.02	\$21.06	\$23.10	\$25.15
Tier 4	\$8.30	\$10.73	\$13.15	\$15.58	\$18.02	\$20.46	\$22.91	\$25.37	\$27.83	\$30.30

(CONTINUED)

Exhibit "B"
 May 15, 2018

Kailapa Community Association Service Rates:

Kailapa Community Association meter service (base) fees:

Meter size (inches) Bi-Monthly	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5/8"	\$49.07	\$63.37	\$77.70	\$92.06	\$106.46	\$120.90	\$135.37	\$149.88	\$164.42	\$179.01

Kailapa Community Association water service delivery (usage)
 tier:

	Gallons Bi-Monthly
Tier 1	9,999,999

Kailapa Community Association water service delivery (usage)
 fees:

Per 1,000 gallons	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
Tier 1	\$11.41	\$14.73	\$18.06	\$21.40	\$24.75	\$28.11	\$31.47	\$34.84	\$38.22	\$41.61

(END Exhibit "B")

ANAHOLA WATER SYSTEM SERVICE RATES
APPROVED ON AUGUST 21, 2018

Residential Lessee Service Rates:

Residential lessee meter service (base) fees:

Meter size (inches)	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
5/8"	\$28.08	\$32.16	\$36.24	\$40.32	\$44.40	\$48.48	\$52.56	\$56.64	\$60.72	\$64.80
3/4"	\$37.44	\$42.88	\$48.32	\$53.76	\$59.20	\$64.64	\$70.08	\$75.52	\$80.96	\$86.40
1"	\$58.50	\$67.00	\$75.50	\$84.00	\$92.50	\$101.00	\$109.50	\$118.00	\$126.50	\$135.00
1 1/2"	\$105.30	\$120.60	\$135.90	\$151.20	\$166.50	\$181.80	\$197.10	\$212.40	\$227.70	\$243.00
2"	\$175.50	\$201.00	\$226.50	\$252.00	\$277.50	\$303.00	\$328.50	\$354.00	\$379.50	\$405.00
4"	\$514.80	\$589.60	\$664.40	\$739.20	\$814.00	\$888.80	\$963.60	\$1,038.40	\$1,113.20	\$1,188.00

Residential lessee water service delivery (usage) tiers:

METER SIZE	TIER 1	TIER 2	TIER 3
	Gallons Bi-monthly	Gallons Bi-monthly	Gallons Bi-monthly
5/8"	0 – 20,000	20,001 – 40,000	> 40,000
3/4"	0 – 70,000	70,001 – 140,000	> 140,000
1"	0 – 200,000	200,001 – 400,000	> 400,000
1 1/2"	0 – 600,000	600,001 – 1,200,000	> 1,200,000
2"	0 – 1,200,000	1,200,001 – 2,400,000	> 2,400,000
4"	0 – 6,000,000	6,000,001 – 12,000,000	> 12,000,000

Residential lessee water service delivery (usage) fees:

Per 1,000 gallons	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
Tier 1	\$3.23	\$3.70	\$4.17	\$4.64	\$5.11	\$5.58	\$6.04	\$6.51	\$6.98	\$7.45
Tier 2	\$3.74	\$4.29	\$4.83	\$5.38	\$5.92	\$6.46	\$7.01	\$7.55	\$8.10	\$8.64
Tier 3	\$5.27	\$6.03	\$6.80	\$7.56	\$8.33	\$9.09	\$9.86	\$10.62	\$11.39	\$12.15

(CONTINUED)

Agricultural Lessee Service Rates:

Agricultural lessee meter service (base) fees:

Meter size (inches)	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
5/8"	\$28.08	\$32.16	\$36.24	\$40.32	\$44.40	\$48.48	\$52.56	\$56.64	\$60.72	\$64.80
3/4"	\$37.44	\$42.88	\$48.32	\$53.76	\$59.20	\$64.64	\$70.08	\$75.52	\$80.96	\$86.40
1"	\$58.50	\$67.00	\$75.50	\$84.00	\$92.50	\$101.00	\$109.50	\$118.00	\$126.50	\$135.00
1 1/2"	\$105.30	\$120.60	\$135.90	\$151.20	\$166.50	\$181.80	\$197.10	\$212.40	\$227.70	\$243.00
2"	\$175.50	\$201.00	\$226.50	\$252.00	\$277.50	\$303.00	\$328.50	\$354.00	\$379.50	\$405.00
4"	\$514.80	\$589.60	\$664.40	\$739.20	\$814.00	\$888.80	\$963.60	\$1,038.40	\$1,113.20	\$1,188.00

Agricultural lessee water service delivery (usage) tiers:

METER SIZE	# of structures	TIER 1	TIER 2
		Gallons Bi-monthly	Gallons Bi-monthly
5/8"	N/A	0 – 25,000	> 25,000
3/4"	1	0 – 25,000	> 25,000
3/4"	2	0 – 50,000	> 50,000
1 1/2"	1	0 – 25,000	> 25,000
1 1/2"	2	0 – 50,000	> 50,000
2"	1	0 – 25,000	> 25,000
2"	2	0 – 50,000	> 50,000

Agricultural lessee water service delivery (usage) fees:

Per 1,000 gallons	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
Tier 1	\$3.23	\$3.70	\$4.17	\$4.64	\$5.11	\$5.58	\$6.04	\$6.51	\$6.98	\$7.45
Tier 2	\$0.82	\$0.94	\$1.06	\$1.18	\$1.30	\$1.41	\$1.53	\$1.65	\$1.77	\$1.89

(END Exhibit "C")

PUUKAPU MAINTENANCE FEE
APPROVED ON MAY 19, 2014 AND EXTENDED ON MAY 15, 2018

COST COMPONENT	RATE PER MONTH
• Standby Charge: 4-Inch Master Meter \$255.00 per month. \$255.00/184 lots = \$1.39 per lot	\$ 1.39
• Flat Rate Water Charge	\$ 18.00
• Electricity Charge (\$1,692/40 users)	\$ 42.30
• Operations and Maintenance (10,761/184 users)	\$ 58.48
• Potable Water via Spigot (600 gpd/40 users)	\$ 2.24
TOTAL	\$122.41

One-time equipment and installation costs:

EQUIPMENT/INSTALLATION	COST
5/8" Meter	\$114.00
Backflow Preventer	\$675.00
TOTAL	\$789.00

(END Exhibit "D")

IV. New Business – Before Public Hearing

A. Discussion and Action on Proposed New HAR Title 19 Chapter 150, “Autonomous Vehicle Registrations,” promulgated by DOT

PRE-PUBLIC HEARING SMALL BUSINESS IMPACT STATEMENT
TO THE
SMALL BUSINESS REGULATORY REVIEW BOARD
(Hawaii Revised Statutes §201M-2)

Date: 3/18/2021

Department or Agency: Department of Transportation - Highways Division

Administrative Rule Title and Chapter: Title 19, Subtitle 5, Chapter 150 (new chapter)

Chapter Name: Autonomous Vehicle Regulations

Contact Person/Title: George Abcede, Highways Administrator

E-mail: george.abcede@honolulu.gov Phone: 587-2220

A. To assist the SBRRB in complying with the meeting notice requirement in HRS §92-7, please attach a statement of the topic of the proposed rules or a general description of the subjects involved.

B. Are the draft rules available for viewing in person and on the Lieutenant Governor's Website pursuant to HRS §92-7?

Yes No

If "Yes," provide details: <https://hidot.hawaii.gov/highways/home/doing-business/hawaii-administrative-rules/>

I. Rule Description:

New Repeal Amendment Compilation

II. Will the proposed rule(s) affect small business?

Yes No

(If "No," no need to submit this form.)

* "Affect small business" is defined as "any potential or actual requirement imposed upon a small business . . . that will cause a direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business." HRS §201M-1

* "Small business" is defined as a "for-profit corporation, limited liability company, partnership, limited partnership, sole proprietorship, or other legal entity that: (1) Is domiciled and authorized to do business in Hawaii; (2) Is independently owned and operated; and (3) Employs fewer than one hundred full-time or part-time employees in Hawaii." HRS §201M-1

III. Is the proposed rule being adopted to implement a statute or ordinance that does not require the agency to interpret or describe the requirements of the statute or ordinance?

Yes No

(If "Yes" no need to submit this form. E.g., a federally-mandated regulation that does not afford the agency the discretion to consider less restrictive alternatives. HRS §201M-2(d))

IV. Is the proposed rule being adopted pursuant to emergency rulemaking? (HRS §201M-2(a))

Yes No

(If "Yes" no need to submit this form.)

* * *

If the proposed rule affects small business and are not exempt as noted above, please provide a reasonable determination of the following:

1. Description of the small businesses that will be required to comply with the proposed rules and how they may be adversely affected.

The proposed administrative rules are intended for manufacturers of autonomous vehicles and other entities who seek to test autonomous vehicles in the State of Hawaii. There are currently no known manufacturers or other entities in the State of Hawaii that also meet the definition of "small business" as defined in Section 201M-1, HRS. The DOT seeks concurrence of the SBRRB.

2. In dollar amounts, the increase in the level of direct costs such as fees or fines, and indirect costs such as reporting, recordkeeping, equipment, construction, labor, professional services, revenue loss, or other costs associated with compliance.

The proposed administrative rules do not include fees or assessments for the permits to test autonomous vehicles. Direct costs including insurance and reporting are to be applied equitably to all permittees.

If the proposed rule imposes a new or increased fee or fine:

- a. Amount of the current fee or fine and the last time it was increased.

Not applicable

- b. Amount of the proposed fee or fine and the percentage increase.

Not applicable

- c. Reason for the new or increased fee or fine.

Not applicable

- d. Criteria or methodology used to determine the amount of the fee or fine (i.e.,

Consumer Price Index, Inflation rate, etc.).

Not applicable

3. The probable monetary costs and benefits to the agency or other agencies directly affected, including the estimated total amount the agency expects to collect from any additionally imposed fees and the manner in which the moneys will be used.

The DOT estimates the implementation of these proposed administrative rules to be budget-neutral. No additional staff is required to review testing permit applications or to issue and enforce the testing permits. There is significant potential for the autonomous vehicles testing pilot program to positively impact the State economy. When manufacturers and/or other entities participate in the pilot program, the department expects the testing period to be multiple years long. As such, the department estimates tax revenue will be generated from the economic activity associated with manufacturers and/other entities operating in the state.

4. The methods the agency considered or used to reduce the impact on small business such as consolidation, simplification, differing compliance or reporting requirements, less stringent deadlines, modification of the fines schedule, performance rather than design standards, exemption, or other mitigating techniques.
In drafting these proposed administrative rules, the DOT earnestly attempted to reduce barriers to obtaining a permit; there are no permit fees, and reporting requirements are minimal.

5. The availability and practicability of less restrictive alternatives that could be implemented in lieu of the proposed rules.
Compared to analogous regulations in other jurisdictions, these proposed administrative rules are less restrictive and allow for greater participation in the autonomous vehicle testing pilot program.

6. Consideration of creative, innovative, or flexible methods of compliance for small businesses. The businesses that will be directly affected by, bear the costs of, or directly benefit from the proposed rules.
Requirements for compliance are to be applied equitably to all permittees and are considered to be flexible by design. The business that will directly benefit from the proposed administrative rules are manufacturers of autonomous vehicles.

7. How the agency involved small business in the development of the proposed rules.
The DOT primarily involved representatives from Hawaii's county governments, the University of Hawaii, manufacturers of autonomous vehicles, and trade organizations like the American Association of Motor Vehicle Administrators (AAMVA). Small businesses were not involved in the policy development.
 - a. If there were any recommendations made by small business, were the recommendations incorporated into the proposed rule? If yes, explain. If no, why not.
No recommendations were made by small businesses in the policy development related to these proposed administrative rules.

8. Whether the proposed rules include provisions that are more stringent than those mandated by any comparable or related federal, state, or county standards, with an explanation of the reason for imposing the more stringent standard.
No. These proposed administrative rules aim to implement Act 21, Session Laws of Hawaii 2020, without imposing more stringent standards.

If yes, please provide information comparing the costs and benefits of the proposed rules to the costs and benefits of the comparable federal, state, or county law, including the following:

- a. Description of the public purposes to be served by the proposed rule.
Not applicable

- b. The text of the related federal, state, or county law, including information about the purposes and applicability of the law.
Not applicable

- c. A comparison between the proposed rule and the related federal, state, or county law, including a comparison of their purposes, application, and administration.
Not applicable

- d. A comparison of the monetary costs and benefits of the proposed rule with the costs and benefits of imposing or deferring to the related federal, state, or county law, as well as a description of the manner in which any additional fees from the proposed rule will be used.
Not applicable

- e. A comparison of the adverse effects on small business imposed by the proposed rule with the adverse effects of the related federal, state, or county law.
Not applicable

* * *

Small Business Regulatory Review Board / DBEDT
Phone: (808) 586-2594 / Email: DBEDT.sbrrb.info@hawaii.gov

This Statement may be found on the SBRRB Website at: <http://dbedt.hawaii.gov/sbrrb/resources/small-business-impact-statements>

Amendment and Compilation of Chapter 19-150
Hawaii Administrative Rules

XXX XX, 2021

1. Chapter 19-150, Hawaii Administrative Rules, entitled "Autonomous Vehicle Regulations", is adopted to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 19

DEPARTMENT OF TRANSPORTATION

SUBTITLE 5

MOTOR VEHICLE SAFETY OFFICE

CHAPTER 150

AUTONOMOUS VEHICLE REGULATIONS

§19-150-1	Definitions
§19-150-2	Permit required
§19-150-3	Permit application
§19-150-4	Manufacturer and other entities requirements
§19-150-5	Driver requirements
§19-150-6	Vehicle requirements and inspections
§19-150-7	Insurance
§19-150-8	Reporting
§19-150-9	Permit revocation
§19-150-10	Severability
§19-150-11	Reserved
§19-150-12	Reserved

§19-150-1 Definitions. Unless the context clearly indicates otherwise, as used in this chapter: "ADS-equipped vehicle" means a vehicle equipped with an Automated Driving System.

"Advanced Driver-Assistance Systems" and "ADAS" mean systems designed to help drivers with certain driving tasks (e.g., staying in the lane, parking, avoiding crashes, reducing blind spots, and maintaining a safe headway).

"Automated driving system" and "ADS" mean the hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is limited to a specific operational design domain.

"Automated mode" means the mode that is set in the vehicle in order for the automated actions to take over and the driver or user does not control the functions of the vehicle.

"Automated vehicle" and "AV" means an automated-driving-system-equipped vehicle capable of performing all aspects of the dynamic driving task within its operational design domain, if any, including achieving a minimal risk condition, without the intervention or supervision, by a conventional human driver.

"Automated vehicle testing" and "AVT" means the testing of ADS-equipped vehicles on public roadways deployment), and modifiers (individuals or companies making changes to existing vehicles after first retail sale or deployment).

"Crash report" means a report completed by a law enforcement officer who investigates a motor vehicle crash.

"Data collection mechanisms" and "DCM" mean recording media, including but not limited to on-board electronic data recorders, on-board computer processing units, and cloud-based computer processing units.

"Department" means the Department of Transportation.

"Driver" means a human user who performs in real-time part or all of the dynamic driving task and dynamic driving task fallback for a particular vehicle. In a vehicle equipped with an ADS, a driver may in some vehicles assume or resume performance of part or all of the dynamic driving task from the ADS during a given trip.

"Driver history" means the record containing all convictions and other licensing actions of each driver.

"Driver testing" means the examination of an applicant to determine whether the applicant possesses the knowledge, skills, and ability to safely operate a vehicle on public roadways.

"Dynamic driving task" and "DDT" mean all of the real-time operational and tactical functions required to operate a vehicle in on-road traffic.

"Endorsement" means an authorization to an individual's driver's license permitting the individual to operate certain types of vehicles.

"Human-machine interface" and "HMI" mean software and hardware that displays process status information, historical information, reports, and other information to operators, administrators, managers, business partners, and other authorized users and allows:

- (1) Human operators to monitor the state of a process under control, modify control settings to change the control objective, and manually override automatic control operations in the event of an emergency; and
- (2) Control engineers or operators to configure set points or control algorithms and parameters in the controller, and to monitor and configure set points, control algorithms, send commands, and adjust and establish parameters in the controller.

"Incident" means an occurrence involving one or more vehicles in which a hazard is involved but not classified as a crash because of the degree of injury and extent of damage.

"Level 0 - No Driving Automation" means the SAE classification of vehicle automation in which the driver performs the entire dynamic driving task even when enhanced by active safety systems.

"Level 1 - Driver Assistance" means the SAE classification of vehicle automation in which sustained and operational design domain-specific execution by a driving automation system of either the lateral or the longitudinal vehicle motion control subtask of the dynamic driving task (but not both

simultaneously) with the expectation that the driver performs the remainder of the dynamic driving task.

"Level 2 - Partial Driving Automation" means the SAE classification of vehicle automation in which the sustained and operational design domain-specific execution by an ADS of both the lateral and longitudinal vehicle motion control subtasks of the dynamic driving task with the expectation that the driver completes the object and event detection and response subtask and supervises the ADS.

"Level 3 - Conditional Driving Automation" means the SAE classification of vehicle automation in which the sustained and operational design domain-specific performance by an automated driving system of the entire dynamic driving task with the expectation that the dynamic driving task fallback-ready user is receptive to automated driving system issued requests to intervene, as well as to dynamic driving task performance relevant system failures in other vehicle systems, and will respond appropriately.

"Level 4 - High Driving Automation" means the SAE classification of vehicle automation in which the sustained and operational design domain-specific performance by an automated driving system of the entire dynamic driving task and dynamic driving task fallback without any expectation that a user will respond to a request to intervene.

"Level 5 - Full Driving Automation" means the SAE classification of vehicle automation in which the sustained and unconditional (i.e., not operational design domain-specific) performance by an automated driving system of the entire dynamic driving task and dynamic driving task fallback without any expectation that a user will respond to a request to intervene.

"Manufacturer" means an individual or company that designs, produces, or constructs vehicles or equipment. The term includes original equipment manufacturers, multiple and final stage manufacturers, modifiers or upfitters.

"Non-drivers" means a user of an automated vehicle who normally would not be able to drive a vehicle (i.e., age limitations, disabilities).

"Occupant" means a human in the vehicle, regardless of role or responsibility.

"Other entities" means any individual, institution or company, that is not a manufacturer, involved with helping to design, supply, test, operate, or deploy automated vehicles, technology, or equipment.

"Permit" means the valid document issued by the department granting authorization to a manufacturer to conduct testing of its autonomous vehicles on public highways and roadways.

"Remote driver" means a driver who is not seated in a position to manually exercise in-vehicle braking, accelerating, steering, and transmission gear selection input devices but is able to operate the vehicle.

"Reportable crash" means a collision resulting in a person's injury or death or property damage pursuant to section 291C-16(a), Hawaii Revised Statutes.

"Request to Intervene" means that notification by the automated driving system to a driver indicating that the driver should promptly perform the dynamic driving task fallback.

"Society of Automotive Engineers International" and "SAE" mean an automotive and aerospace standard setting body that coordinates development of voluntary consensus standards.

"Testing" means the operation of an ADS-equipped vehicle on public roads by employees, contractors, or designees of a manufacturer or other entities for the purpose of assessing, demonstrating, and validating the automated driving system capabilities.

[Eff] (Auth: SLH (2020), Act 21 §1)
(Imp: SLH (2020), Act 21 §1)

§19-150-2 Permit required. An AV shall not be tested on any public highway or roadway in the state until the manufacturer or other entity has submitted and the department has approved an application for a permit to test autonomous vehicles.

[Eff] (Auth: SLH (2020), Act 21 §1)
(Imp: SLH (2020), Act 21 §1)

§19-150-3 Permit application. Manufacturer or other entity shall submit the application to the Department, which shall review and approve or disapprove the permit application within fifteen (15) working days. [Eff] (Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-4 Manufacturer and other entities requirements. (a) Manufacturers and other entities involved in AVT shall designate their employees, contractors or other persons [who are authorized] to operate their AVs.

(b) Manufacturers and other entities shall provide all their employees, contractors or other persons designated to operate their AVs the training and instruction related to, but not limited to, the operation, capabilities and limitations of the AV being tested.

(c) Manufacturers and other entities shall certify that all drivers have had a driving history and background check and have been found suitable to participate in the testing program.

(d) Manufacturers and other entities shall ensure that all drivers of their vehicles being tested are properly licensed to operate such vehicle.

(e) Manufacturers and other entities shall provide to the department:

(1) A list of all drivers operating their vehicle(s);

(2) A certification that such drivers have received the appropriate training and instruction relating to the operation, capabilities and limitations of the AVs being tested. [Eff] (Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-5 Driver requirements. (a) All drivers shall be employees, contractors or other persons designated by the manufacturer or other entity to

operate the vehicles being tested pursuant to this chapter.

(b) All drivers shall be required to receive and complete the training and instruction relating to the operation, capabilities and limitations of the vehicles being tested pursuant to this chapter by its manufacturer or other entity.

(c) All drivers shall be subject to the background checks as required in section 19-150-4(c).

(d) All drivers shall be properly licensed to drive in the United States and to operate any vehicles being tested pursuant to this chapter.

[Eff _____] (Auth: SLH (2020), Act 21 §1)
(Imp: SLH (2020), Act 21 §1)

§19-150-6 Vehicle requirements and inspections.

(a) All AVs in the testing program must be certified to be in compliance with all applicable local and federal laws and regulations, including the Federal Motor Vehicle Safety Standards (FMVSS), or are exempted per federal law;

(b) All AVs in the testing program shall be registered in the State of Hawaii.

(c) All AVs in the testing program shall maintain a current Hawaii Safety Check.

[Eff _____] (Auth: SLH (2020), Act 21 §1)
(Imp: SLH (2020), Act 21 §1)

§19-150-7 Insurance. Prior to commencement of testing, a permitted manufacturer or other entities must produce evidence of commercial automobile insurance as required by the Hawaii Revised Statutes Chapter 431, Article 10C. [Eff _____] (Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-8 Reporting. (a) A permitted manufacturer or other entities shall submit a report to the department on June 30 and December 31 each year

during the term of the permit. For the preceding six month period, the report shall include total number of reportable crashes and descriptions of conditions thereof, total number of incidents and descriptions of conditions thereof, total number of occurrences of disengagement of AV mode and descriptions of conditions thereof, and reports of any safety defects identified.

(b) A permitted manufacturer or other entities shall notify the Department within 24 hours of a reportable crash. [Eff _____] (Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-9 Permit revocation. (a) The Department may suspend or revoke a permit for any of the following reasons:

- (1) The permitted manufacturer or other entities submitted incorrect or misleading information in its permit application;
- (2) The permitted manufacturer or other entities fail to report to the department any change to the information or certifications required and provided in the permit application under §19-150-3 within ten business days of the date of the change; or
- (3) The permitted manufacturer or other entities fail to notify the Department within 24 hours of a reportable crash.
- (3) The permitted manufacturer or other entities fail to comply with any of the provisions of this chapter related to the testing of autonomous vehicles.

(b) The Department may immediately suspend a permit for any of the following reasons:

- (1) If the permitted manufacturer or other entities test any vehicle equipped with autonomous vehicle functions that were not disclosed in the manufacturer's permit application;
- (2) If the permitted manufacturer or other entities have misrepresented any information

related to safety of the autonomous technology of its vehicles;

- (3) If the National Highway Traffic Safety Administration determines that the autonomous technology of the permitted manufacturer's or other entities' vehicles makes inoperative any federally required motor vehicle safety systems;
- (4) If the permitted manufacturer's or other entities autonomous vehicles are subject to an open National Highway Traffic Safety Administration recall related to the vehicle's autonomous technology; or
- (5) Based upon the performance of the vehicles, the Department determines the permitted manufacturer's or other entities vehicles are not safe for the public's operation.

(c) Upon suspension or revocation of a permit by the Department, a permitted manufacturer or other entities shall cease all further testing of affected autonomous vehicles with the affected autonomous technology feature enabled on public streets until the Department has verified that the permitted manufacturer or other entities have taken appropriate action to correct the deficiencies or complied with the National Highway Traffic Safety Administration recall that led to the suspension or revocation and the suspension has been lifted or the revocation withdrawn by the department. [Eff]
(Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-10 Severability. If any section of this chapter is held invalid for any reason, the invalidity shall not affect the validity of the remaining sections of this chapter. [Eff] (Auth: SLH (2020), Act 21 §1) (Imp: SLH (2020), Act 21 §1)

§19-150-11 Reserved.

§19-150-12 Reserved.

2. The adoption of chapter 19-150, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on XXX XX, 2021, and filed with the Office of the Lieutenant Governor.



Jade T. Butay
Director of Transportation

APPROVED AS TO FORM:

/s/ William J. Wynhoff
Deputy Attorney General

DEPARTMENT OF TRANSPORTATION

Amendments to and compilation of chapter 19-150, Hawaii Administrative Rules, on the Summary Page dated XXX XX, 2021, were adopted on XXX XX, 2021, following a series of XXX public hearings held on _____, 2021, after public notice was given in the Honolulu Star-Advertiser, The Garden Island, The Maui News, Hawaii Tribune-Herald, and West Hawaii Today on XXX XX, 2021, and on XXX XX, 2021.

These amendments shall take effect ten days after filing with the Office of the Lieutenant Governor.

JADE T. BUTAY
Director
Department of Transportation

APPROVED AS TO FORM:

Deputy Attorney General

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

Date:

Filed

V. Legislative Matters

A. Discussion and Action on the following Legislative Matters:

- a. House Bill 1148 HD1 “Relating to Land and Natural Resources”**
- b. Update on Upcoming Governor’s Message Submitting for Consideration for the Gubernatorial Nomination of Harris Nakamoto to the Small Business Regulatory Review Board for a term to expire June 30, 2023**
- c. Update on Upcoming Governor’s Message Submitting for Consideration for the Gubernatorial Nomination of James (Kimo) Lee to the Small Business Regulatory Review Board for a term to expire June 30, 2024**

HB1148 HD1

Measure Title: RELATING TO LAND AND NATURAL RESOURCES.
Report Title: DLNR; Administrative Fee Schedules; Board Powers
Description: Authorizes the board of land and natural resources to adopt, amend, and repeal administrative fee schedules without regard to chapter 91, Hawaii Revised Statutes. Establishes a process for the board to adopt, amend, and repeal administrative fee schedules, including public notice and meeting requirements. Effective 1/1/2050. (HD1)
Companion: [SB1262](#)
Package: None
Current Referral: WAL, FIN
Introducer(s): TARNAS, BRANCO, GATES, HAR, HASHIMOTO, ILAGAN, LOWEN, MARTEN, MORIKAWA, NAKAMURA, PERRUSO, TODD, YAMASHITA

Sort by Date	Status Text
1/26/2021 H	Pending introduction.
1/27/2021 H	Introduced and Pass First Reading.
2/1/2021 H	Referred to WAL, FIN, referral sheet 3
2/8/2021 H	Bill scheduled to be heard by WAL on Thursday, 02-11-21 8:30AM in House conference room 430 Via Videoconference.
2/11/2021 H	The committees on WAL recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 7 Ayes: Representative(s) Tarnas, Branco, Ganaden, B. Kobayashi, Kong, Morikawa, McDermott; Ayes with reservations: none; Noes: none; and 1 Excused: Representative(s) Ohno.
2/18/2021 H	Reported from WAL (Stand. Com. Rep. No. 427) as amended in HD 1, recommending passage on Second Reading and referral to FIN.
2/18/2021 H	Passed Second Reading as amended in HD 1 and referred to the committee(s) on FIN with none voting aye with reservations; none voting no (0) and Representative(s) Gates excused (1).

S = Senate | **H** = House | **D** = Data Systems | **\$** = Appropriation measure | **ConAm** = Constitutional Amendment

Some of the above items require Adobe Acrobat Reader. Please visit [Adobe's download page](#) for detailed instructions.

HB1148 HD1

STAND. COM. REP. NO. 427

Honolulu, Hawaii
, 2021

RE: H.B. No. 1148
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. 1148 entitled:

"A BILL FOR AN ACT RELATING TO LAND AND NATURAL RESOURCES,"

begs leave to report as follows:

The purpose of this measure is to authorize the Board of Land and Natural Resources to adopt, amend, and repeal administrative fees, without regard to chapter 91, Hawaii Revised Statutes, for the various divisions within the Department of Land and Natural Resources by formal board action at a publicly noticed meeting.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual. Your Committee received comments on this measure from the Ocean Tourism Coalition, HFACT, and one individual.

Your Committee finds that the current process for implementing fee schedules through chapter 91, Hawaii Revised Statutes, does not allow for changes to fee structures in response to rapidly-shifting economic conditions or changing environmental, social, and community circumstances that are addressed and managed by the Department of Land and Natural Resources. This measure will provide the Department with the flexibility it needs while still providing transparency and

public engagement as required for Board of Land and Natural Resources' meetings under the State's open meeting law requirements.

Your Committee has amended this measure by:

(1) Clarifying that all Department of Land and Natural Resources fees established by rule at or prior to the date of enactment of this measure may be deleted by rule and adopted as an approved administrative fee schedule without the need to comply with the requirements of chapter 91, Hawaii Revised Statutes;

(2) Changing its effective date to January 1, 2050, to encourage further discussion; and

(3) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

Your Committee urges the Department of Land and Natural Resources to consult with the Small Business Regulatory Review Board before increasing any administrative fees under the system proposed in this measure.

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. 1148, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1148, H.D. 1, and be referred to your Committee on Finance.

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

DAVID A. TARNAS, Chair

A BILL FOR AN ACT

RELATING TO LAND AND NATURAL RESOURCES.

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

1 SECTION 1. The legislature finds that the department of
2 land and natural resources (department) is responsible for
3 managing and administering the natural and cultural resources of
4 the State. These resources are impacted by a variety of
5 economic, environmental, and anthropogenic factors, some of
6 which may change rapidly and frequently. To effectively manage
7 these natural resources, the department charges fees to help
8 defray costs of activities necessary to manage those resources.

9 The legislature further finds that the administrative
10 rule-making process prescribed by chapter 91, Hawaii Revised
11 Statutes, serves the important function of providing opportunity
12 for public review and input. However, it is not designed for
13 implementation of fee structures in response to rapidly changing
14 economic conditions.

15 The legislature finds that an alternative process with
16 fewer procedural steps would enable the department to quickly



1 update fee structures to respond to rapidly changing conditions,
2 while also providing opportunity for public review and input.

3 The purpose of this Act is to authorize the board of land
4 and natural resources to adopt, amend, and repeal administrative
5 fees for the various divisions within the department by formal
6 board action at a publicly noticed meeting.

7 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
8 amended by adding a new section to be appropriately designated
9 and to read as follows:

10 **"§171- Administrative fee schedules; adoption,**
11 **amendment, and repeal.** (a) Notwithstanding any other law to
12 the contrary, the board shall have the authority to adopt
13 administrative fee schedules for all activities for which the
14 department and its divisions charge administrative fees.
15 Adoption of these administrative fee schedules shall be exempt
16 from the requirements of chapter 91. All department fees
17 established by rule at or prior to the date of enactment may be
18 deleted by rule and adopted as an approved administrative fee
19 schedule without the need to comply with the requirements of
20 chapter 91 in deleting the fees from existing rules, subject to



1 amendment or repeal in accordance with the process established
2 by this section.

3 (b) All department divisions shall make available on the
4 department's website each proposed administrative fee schedule
5 and the full text of the division's proposed fee schedule or
6 changes to existing fee schedules.

7 (c) No less than thirty days prior to the board meeting at
8 which the board will consider a proposed fee schedule adoption,
9 amendment, or repeal, divisions shall post notice of the meeting
10 on both the division and the department's website. The notice
11 shall include:

12 (A) The full text of the proposed schedule; and

13 (B) The date, time, and place where the board meeting will
14 be held and where interested persons may provide
15 written testimony or be heard on the proposed fee
16 schedule adoption, amendment, or repeal.

17 (d) The board shall afford all interested persons the
18 opportunity to submit data, views, or arguments, orally or in
19 writing, on any proposed fee schedule adoption, amendment, or
20 repeal. The board shall fully consider all written and oral
21 submissions and shall make its decision at the public meeting.



1 (e) Any administrative fee schedule hereafter adopted,
2 amended, or repealed shall become effective ten days after
3 adoption by the board, or if the board specifies a later
4 effective date, the later date shall be the effective date.

5 (f) Each division shall prepare a copy of the
6 administrative fee schedule changes according to the Ramseyer
7 format and post this copy of the administrative fee schedule
8 changes on the division and the department's website."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on January 1, 2050.



Report Title:

DLNR; Administrative Fee Schedules; Board Powers

Description:

Authorizes the board of land and natural resources to adopt, amend, and repeal administrative fee schedules without regard to chapter 91, Hawaii Revised Statutes. Establishes a process for the board to adopt, amend, and repeal administrative fee schedules, including public notice and meeting requirements. Effective 1/1/2050. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



VI. Administrative Matters

A. Update on the Board Upcoming Advocacy Activities and Programs in Accordance with the Board's Powers under Section 201M-5, HRS

a. Discussion and Action on the Board's Fiscal Year-to-Date 2021 (Actual) Budget and Projected Fiscal Year 2022 Budget

SBRRB Budget Records
ACTUAL Monthly Expenses
FY 20-21

7/1/2020 - 7/31/2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB - Mailed Orientation Manual to board member Taryn Rodighiero						\$ 15.05	
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.05	\$ -
Total Monthly Expense							\$ 15.05

8/1/2020 - 8/31/2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB - Office Max/Depot Purchased Printer INK for Jet'aime home office printer							\$ 169.49
SBRRB - HP Direct Purchase of Printer for Jetaime home office							\$ 191.71
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 361.20
Total Monthly Expense							\$ 361.20

9/1/2020 - 9/30/2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							

Dori Palcovich							
SBRRB - Postage Stamps							
SBRRB							
Sub-Total	\$ -		\$ -	\$ -	\$ -		\$ -
Total Monthly Expense							\$0.00

10/1/2020 - 10/31/2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich - Printer INK							\$ 220.82
SBRRB							
SBRRB - Postage Stamps							
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 220.82
Total Monthly Expense							\$ 220.82

11/1/2020 - 11/30/2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich - Office Supplies							\$ 32.98
SBRRB - COLOR Printer							\$ 340.31
SBRRB - Batteries							\$ 170.72
SBRRB - Printer TONER							\$ 297.82
SBRRB - Steno Notebooks							\$ 26.70
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 868.53
Total Monthly Expense							\$ 868.53

12/1/2020 - 12/31-2020

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							

James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB - Postage for SBRRB ANNUAL Report							\$ 4.20
SBRRB - Stamps							
Sub-Total		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4.20
Total Monthly Expense							\$ 4.20

1/1/2021 - 1/31-2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich - WIRELESS Mouse							\$ 17.99
SBRRB - Shipping Labels							\$ 14.49
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32.48
Total Monthly Expense							\$ 32.48

2/1/2021 - 2/28/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB							
SBRRB - Stamps							
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ -

3/1/2021 - 3/31/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB							
SBRRB - Stamps							
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ -

4/1/2021 - 4/30/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB							
SBRRB - Stamps							
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ -

5/1/2021 - 5/31/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich - Hawaii Small Business Conference Maui							
SBRRB							
SBRRB - Stamps							
SBRRB - Hawaii Small Business Fair							

Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ -

6/1/2021 - 6/30/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz							
James (Kimo) Lee							
William Lydgate							
Garth Yamanaka							
Taryn Rodighiero							
Dori Palcovich							
SBRRB							
SBRRB - Stamps							
SBRRB - Supplies							
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ -

Monthly Expenses for 7/2020 - 6/2021

Months	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
July	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.05	\$ -
August	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 361.20
September	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
October	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220.82
November	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 868.53
December	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4.20
January	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32.48
February	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
March	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
April	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
June	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.05	\$ 1,487.23
							\$ 1,502.28

SBRRB Budget Records - PROJECTED
Monthly Expenses
FY 21-22

7/1/2021 - 7/31/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 143.17	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 208.69	\$ 55.00	\$ 15.00				
William Lydgate	\$ 183.94	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 204.36	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
Sub-Total	\$ 940.16	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ 1,290.16

-The projected numbers are based off of previous flights booked per island member

8/1/2021 - 8/31/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 158.36	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 200.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 223.70	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 218.67	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
Sub-Total	\$ 1,000.73	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ -	\$ -
Total Monthly Expense							\$ 1,350.73

9/1/2021 - 9/30/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 142.31	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 204.32	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 214.32	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB - Postage Stamps						\$ 110.00	
SBRRB							

Sub-Total	\$ 760.95	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,220.95

10/1/2021 - 10/31/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 107.16	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 204.32	\$ 55.00	\$ 15.00				
William Lydgate	\$ 223.70	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 204.32	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich - OWL Membership DUES					\$ 270.86		
SBRRB							
SBRRB - Postage Stamps						\$ 110.00	
Sub-Total	\$ 939.50	\$ 275.00	\$ 75.00	\$ -	\$ 270.86	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,670.36

11/1/2021 - 11/30/2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 168.34	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 200.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 181.80	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 200.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Postage Stamps						\$ 110.00	
Sub-Total	\$ 950.14	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,410.14

12/1/2021 - 12/31-2021

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 200.00	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 200.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 200.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				

Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
Sub-Total	\$ 1,000.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,460.00

1/1/2022 - 1/31-2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 147.92	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 138.37	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 204.52	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
SBRRB - PBN Subscription				\$ 125.65			
Sub-Total	\$ 890.81	\$ 275.00	\$ 75.00	\$ 125.65	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,476.46

2/1/2022 - 2/28/2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 143.26	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 107.31	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 183.27	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
Sub-Total	\$ 833.84	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,293.84

3/1/2022 - 3/31/2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
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Mary Albitz	\$ 200.00	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 250.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 250.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
Sub-Total	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,560.00

4/1/2022 - 4/30/2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 200.00	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 250.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 250.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
Sub-Total	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
Total Monthly Expense							\$ 1,560.00

5/1/2022 - 5/31/2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 200.00	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 250.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 250.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich - Hawaii Small Business Conference Maui							\$ 900.00
SBRRB							
SBRRB - Stamps						\$ 110.00	
SBRRB - Hawaii Small Business Fair							\$ 200.00
Sub-Total	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ 1,100.00
Total Monthly Expense							\$ 2,660.00

6/1/2022 - 6/30/2022

Names	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
Mary Albitz	\$ 200.00	\$ 55.00	\$ 15.00				
James (Kimo) Lee	\$ 250.00	\$ 55.00	\$ 15.00				
William Lydgate	\$ 200.00	\$ 55.00	\$ 15.00				
Garth Yamanaka	\$ 250.00	\$ 55.00	\$ 15.00				
Taryn Rodighiero	\$ 200.00	\$ 55.00	\$ 15.00				
Dori Palcovich							
SBRRB							
SBRRB - Stamps						\$ 110.00	
SBRRB - Supplies							\$ 100.00
Sub-Total	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ 100.00
Total Monthly Expense							\$ 1,660.00

Monthly Expenses for 7/2021 - 6/2022

Months	Air	Car/Taxi	Parking	Subscriptions	Memberships	Postage	Other
July	\$ 940.16	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ -	\$ -
August	\$ 1,000.73	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ -	\$ -
September	\$ 760.95	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
October	\$ 939.50	\$ 275.00	\$ 75.00	\$ -	\$ 270.86	\$ 110.00	\$ -
November	\$ 950.14	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
December	\$ 1,000.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
January	\$ 890.81	\$ 275.00	\$ 75.00	\$ 125.65	\$ -	\$ 110.00	\$ -
February	\$ 833.84	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
March	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
April	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ -
May	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ 1,100.00
June	\$ 1,100.00	\$ 275.00	\$ 75.00	\$ -	\$ -	\$ 110.00	\$ 100.00
Total Expenses	\$ 11,716.13	\$ 3,300.00	\$ 900.00	\$ 125.65	\$ 270.86	\$ 1,100.00	\$ 1,200.00
							\$ 18,612.64