## A BILL FOR AN ACT

RELATING TO WATER SECURITY.

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

1 SECTION 1. Act 172, Session Laws of Hawaii 2016, is 2 amended to read as follows:

3 "[PART I

SECTION 1. The 2016 Hawaii hosted World Conservation

Congress presents an opportunity for Hawaii to demonstrate international leadership in investing in natural capital that supports economic growth and protects the quality of life. The challenge of managing the State's limited natural resources such as watersheds, marine habitat, and fresh water supply while fostering community resilience is too large a task for a single actor or sector to address alone. New and innovative partnerships are needed to catalyze large scale investment in Hawaii's sustainable development. The Aloha+ Natural Capital Investment Partnership is a joint public private conservation commitment that will demonstrate Hawaii's commitment to natural resources management with a special focus on climate resilience at the World Conservation Congress and beyond.

1	To provide reliable long-term funding needed to meet the
2	State's Aloha+ Challenge conservation targets by 2030, partners
3	from multiple sectors, including county, state, and federal
4	governments as well as private philanthropic and corporate
5	entities, must work together to leverage funds and provide
6	matching opportunities.
7	SECTION 1. The purpose of this Act is to establish a two-
8	year pilot program for a water security advisory group to enabl
9	public-private partnerships that increase water security by
10	providing matching state funds for projects and programs that:
11	(1) Increase the recharge of groundwater resources;
12	(2) Encourage the reuse of water and reduce the use of
13	potable water for landscaping irrigation; and
14	(3) Improve the efficiency of potable and agricultural
15	water use.
16	[PART II]
17	SECTION 2. The department of land and natural resources
18	shall establish a two-year pilot program for a water security
19	advisory group to enable public-private partnerships that
20	increase water security by providing matching state funds for
21	projects and programs that:

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1	(1)	Increase the recharge of groundwater resources;
2	(2)	Encourage the reuse of water and reduce the use of
3		potable water for landscaping irrigation; and
4	(3)	Improve the efficiency of potable and agricultural
5		water use.
6	SECT	ION 3. The department of land and natural resources
7	may estab	lish an account or fund pursuant to section 37-52.5,
8	Hawaii Re	vised Statutes, into which shall be deposited:
9	(1)	All moneys appropriated by the legislature;
10	(2)	Gifts, grants, and other private funds; and
11	(3)	Federal funds.
12	The money	s in the fund shall be used to fund priority projects
13	and progr	ams to increase water security recommended by the water
14	security	advisory group, provided that state funds are matched
15	on a one-	for-one matching basis by the public or private agency
16	or organi	zation that submitted the relevant proposal for a
17	project o	r program to increase water security.
18	SECT	ION 4. The department of land and natural resources

may contract with an independent non-profit entity to carry out

the duties and activities associated with this Act. Contractors

and other third parties, including independent non-profit

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Ţ	entities,	who receive funds under this Act shall be subject to
2	review an	d inspection by the department of land and natural
3	resources	, the attorney general, or the auditor. Upon request
4	by such a	gencies, the contractor, third party, or independent
5	non-profi	t entity shall be required to submit for review all
6	files, re	cords, documents, and accounting related to the use and
7	expenditu	re of funds pursuant to this Act, regardless of whether
8	funds wer	e received via contract, grant, or other agreement.
9	SECT	ION 5. The department of land and natural resources
10	shall est	ablish a water security advisory group, not subject to
11	section 2	6-34, Hawaii Revised Statutes, which shall consist of:
12	(1)	The manager and chief engineer of the board of water
13		supply of each county or each manager and chief
14		engineer's designee;
15	(2)	The deputy director for water resource management of
16		the department of land and natural resources;
17	(3)	A member with knowledge of agricultural water storage
18		and delivery systems selected by the [chairperson of
19		the board of land and natural resources; president of
20		the senate;

1	(4)	A member from a private landowning entity that
2		actively partners with a watershed partnership
3		selected by the [chairperson of the board of land and
4		natural resources; speaker of the house of
5		representatives;
6	(5)	A member with knowledge, experience, and expertise in
7		the area of Hawaiian cultural practices selected by
8		the [chairperson of the board of land and natural
9		resources; president of the senate; and
10	(6)	A member representing a conservation organization
11		selected by the [chairperson of the board of land and
12		natural resources.] speaker of the house of
13		representatives.
14	The	water security advisory group shall elect a chairperson
15	from amon	g its members. Any action of the advisory group shall
16	be by a s	imple majority of its members. Five members shall
17	constitut	e a quorum.
18	SECT	ION 6. There is appropriated out of the general
19	revenues	of the State of Hawaii the sum of \$750,000 or so much
20	thereof a	s may be necessary for fiscal year 2016-2017 to carry
21	out the p	urposes of this Act.

1	The sum appropriated shall be expended by the department of
2	land and natural resources.
3	[ <del>PART III</del> ]
4	SECTION 7. (a) The water security advisory group shall
5	advise the department of land and natural resources on the
6	priority of all proposals for projects or programs submitted by
7	public or private agencies or organizations to increase water
8	security in the State and recommend high-priority programs for
9	the award of matching funds through the pilot program
10	established pursuant to this Act.
11	The water security advisory group shall:
12	(1) Establish criteria for the evaluation of proposals and
13	assignment of priority to proposals;
14	(2) Evaluate proposals based on the established criteria;
15	(3) Assign priorities to each proposal submitted; and
16	(4) Advise the department on its evaluation of and
17	assignment of priority to each proposal submitted.
18	(b) In advising the department on the priorities for
19	matching fund grants for projects and programs to increase water
20	security, the water security advisory group shall consider
21	projects and programs that:

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(1)	Establish new areas or increase existing areas for the
	recharge of groundwater resources;
(2)	Reduce the use of potable water for landscape
	irrigation and encourage the reuse of water; and
(3)	Improve the efficiency of potable domestic water or
	agricultural irrigation use.
(c)	All projects and programs recommended for approval by
the advis	ory group shall be required to track and report on the
amount of	water conserved, recharged, or reused by the projects
and progr	ams.
SECT	ION 8. The department of land and natural resources
shall sub	mit an annual report on the pilot program established
pursuant	to this Act to [the governor and] the legislature at
least twe	nty days prior to the convening of the 2017 and 2018
regular l	egislative sessions. The annual reports shall include:
(1)	A summary of all the projects and programs approved to
	increase water security by improving recharge of
	groundwater, reducing the use of potable water for
	irrigation, or encouraging reuse of water;
(2)	Proposals for future projects and programs;
	(2)  (3)  (c)  the advist amount of and programmer of and programmer of and programmer of and pursuant least tweething regular 1 (1)

(3) A financial report for the preceding fiscal year; and

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1	(4) Objectives and budget projections for the following
2	fiscal year.
3	SECTION 9. Members of the water security advisory group
4	shall serve without compensation. All necessary expenses of
5	each member, including travel expenses, shall be paid by the
6	agency, organization, or department which the member represents.
7 .	No member shall be made subject to chapter 84, Hawaii Revised
8	Statutes, solely because of that member's participation as a
9	member of the advisory group.
10	SECTION 10. The last contract for a project or program
11	recommended for approval by the water security advisory group
12	shall be executed before June 30, 2018.
13	[ <del>PART IV</del> ]

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section 12:

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(1) All contracts, agreements, permits, or other documents executed or entered into by the department of land and natural resources pursuant to this Act shall remain in full force and effect until terminated pursuant to the terms of the relevant contract, agreement, permit, or document; and

SECTION 11. Upon the repeal of this Act as provided in

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1	(2)	All unexpended and unencumbered moneys remaining in an
2		account or fund established pursuant to section 3 and
3		deemed to be in excess of the moneys necessary to
4		carry out the purposes of this Act shall lapse to the
5		credit of the general fund.
6	SECT	ION 12. This Act shall take effect on July 1, 2016,
7	and shall	be repealed on June 30, 2018."
8	SECT	ION 2. Statutory material to be repealed is bracketed
9	and stric	ken. New statutory material is underscored.
10	SECT	TION 3. This Act shall take effect on July 1, 2050.

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### Report Title:

Department of Land and Natural Resources; Water Security Advisory Group

### Description:

Amends the two-year pilot program in the Department of Land and Natural Resources that enables public-private partnerships to provide funds for projects that increase water security. (HB838 HD1)

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