JAN 2 1 2022

A BILL FOR AN ACT

RELATING TO WETLAND PRESERVATION.

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

- 1 SECTION 1. The legislature finds that wetlands are some of
- 2 the most productive and biodiverse habitats on the planet.
- 3 Wetlands protect beaches against erosion, recharge aquifers,
- 4 provide flood alleviation, support endangered species, and
- 5 sequester carbon. The legislature further finds that the
- 6 destruction of wetlands and waterways is a major concern because
- 7 development in these areas leads to excessive flooding and
- 8 inhibits the natural processes that filter sediments and
- 9 nutrients from stormwater runoff before reaching coral reefs.
- 10 The United Nations Millennium Ecosystem Assessment determined
- 11 that environmental degradation is more prominent within wetlands
- 12 than any other ecosystem on earth and therefore wetlands deserve
- 13 greater protection.
- 14 The legislature also finds that according to the United
- 15 States Environmental Protection Agency, an acre of wetland can
- 16 store one million to one and one-half million gallons of
- 17 floodwater. In 1991, wetland-related ecotourism activities such

- 1 as hunting, fishing, birdwatching, and photography added
- 2 approximately \$59,000,000,000 to the national economy.
- 3 According to the Pacific Coast Federation of Fishermen's
- 4 Associations, almost \$79,000,000,000 per year is generated from
- 5 wetland-dependent species, or about seventy-one per cent of the
- 6 nation's entire \$111,000,000,000 commercial and recreational
- 7 fishing industry in 1997. Furthermore, the legislature finds
- 8 that although wetlands keep only about five per cent of the land
- 9 surface in the conterminous United States, wetlands are home to
- 10 thirty-one per cent of plant species in the country. Up to one-
- 11 half of North American bird species nest or feed in wetlands.
- In Hawaii, more than thirty-one per cent of its coastal
- 13 wetlands have been lost. Wetlands, by virtue of the functions
- 14 and ecosystem services they provide, are far more precious than
- 15 market values or commercial profits.
- 16 Additionally, the legislature finds that without wetlands,
- 17 Hawaii would have to spend exorbitant amounts of money to
- 18 replace wetland functions that protect water supply, protect
- 19 ocean water quality and coral reefs, provide flood attenuation
- 20 and storage, sequester carbon, and provide habitat for native
- 21 plants and animals. Furthermore, without wetlands to provide

these ecosystem services, drinking and irrigation water will 1 2 require more treatment, floods will become more devastating, 3 storm surges from hurricanes will penetrate farther mauka, coral reefs and fisheries will be damaged or destroyed, animals and plants will face disruption and extinction, climate change 5 6 mitigation will be reduced, and food security and livelihoods 7 will be threatened. The legislature further finds that surface water, ground 8 9 water, floodplains, wetlands, and other features do not function 10 as separate and isolated components of the watershed, but rather as a single, integrated natural system. Disruption of any part 11 12 of this system can have long-term and far-reaching consequences 13 on the functioning of the entire system as evidenced by 14 disastrous recent flooding events. This Act will establish 15 ahupuaa-based protection of wetlands and the watersheds (natural stormwater infrastructure) that connect to them. 16 17 The purpose of this Act is to encourage the preservation of 18 wetlands by: 19 (1) Amending provisions that exempt a proposed housing 20 project of the Hawaii housing finance and development

corporation from statutes, ordinances, charter

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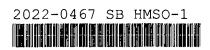
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| 1 | provisions to include a requirement that the proposed |
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| 2 | project does not impact wetlands or natural stormwater |
| 3 | infrastructure; and |
| 4 | (2) Requiring an environmental assessment for actions |
| 5 | under the environmental impact statements law that |
| 6 | impact wetlands or natural stormwater infrastructure. |
| 7 | SECTION 2. Section 201H-38, Hawaii Revised Statutes, is |
| 8 | amended by amending subsection (a) to read as follows: |
| 9 | "(a) The corporation may develop on behalf of the State or |
| 10 | with an eligible developer, or may assist under a government |
| 11 | assistance program in the development of, housing projects that |
| 12 | shall be exempt from all statutes, ordinances, charter |
| 13 | provisions, and rules of any government agency relating to |
| 14 | planning, zoning, construction standards for subdivisions, |
| 15 | development and improvement of land, and the construction of |
| 16 | dwelling units thereon; provided that: |
| 17 | (1) The corporation finds the housing project is |
| 18 | consistent with the purpose and intent of this |
| 19 | chapter, and meets minimum requirements of health and |
| 20 | safety; |

| 1 | (2) | The d | development of the proposed housing project does |
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| 2 | | not c | contravene any safety standards, tariffs, or rates |
| 3 | | and f | ees approved by the public utilities commission |
| 4 | | for p | oublic utilities or of the various boards of water |
| 5 | | suppl | y authorized under chapter 54; |
| 6 | (3) | The d | development of the proposed housing project does |
| 7 | | not i | mpact wetlands or natural stormwater |
| 8 | | infra | structure as defined in section 343-2; |
| 9 | [(3)] | (4) | The legislative body of the county in which the |
| 10 | | housi | ng project is to be situated shall have approved |
| 11 | | the p | roject with or without modifications: |
| 12 | | (A) | The legislative body shall approve, approve with |
| 13 | | | modification, or disapprove the project by |
| 14 | | | resolution within forty-five days after the |
| 15 | | | corporation has submitted the preliminary plans |
| 16 | | | and specifications for the project to the |
| 17 | | | legislative body. If on the forty-sixth day a |
| 18 | | | project is not disapproved, it shall be deemed |
| 19 | | | approved by the legislative body; |
| 20 | | (B) | No action shall be prosecuted or maintained |
| 21 | | | against any county, its officials, or employees |

| 1 | | on account of actions taken by them in reviewing |
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| 2 | | approving, modifying, or disapproving the plans |
| 3 | | and specifications; and |
| 4 | (C) | The final plans and specifications for the |
| 5 | | project shall be deemed approved by the |
| 6 | | legislative body if the final plans and |
| 7 | | specifications do not substantially deviate from |
| 8 | | the preliminary plans and specifications. The |
| 9 | | final plans and specifications for the project |
| 10 | | shall constitute the zoning, building, |
| 11 | | construction, and subdivision standards for that |
| 12 | | project. For purposes of sections 501-85 and |
| 13 | | 502-17, the executive director of the corporation |
| 14 | | or the responsible county official may certify |
| 15 | | maps and plans of lands connected with the |
| 16 | | project as having complied with applicable laws |
| 17 | | and ordinances relating to consolidation and |
| 18 | | subdivision of lands, and the maps and plans |
| 19 | | shall be accepted for registration or recordation |
| 20 | | by the land court and registrar; and |

| 1 | $\left[\frac{(4)}{(5)}\right]$ The land use commission shall approve, approve |
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| 2 | with modification, or disapprove a boundary change |
| 3 | within forty-five days after the corporation has |
| 4 | submitted a petition to the commission as provided in |
| 5 | section 205-4. If, on the forty-sixth day, the |
| 6 | petition is not disapproved, it shall be deemed |
| 7 | approved by the commission." |
| 8 | SECTION 3. Section 343-2, Hawaii Revised Statutes, is |
| 9 | amended by adding three new definitions to be appropriately |
| 10 | inserted and to read as follows: |
| 11 | "Floodway means the channel of a river or stream, |
| 12 | including any adjacent floodplain areas. |
| 13 | "Natural stormwater infrastructure" means all naturally- |
| 14 | occurring streams, ephemeral streams, gulches, drainage |
| 15 | corridors, wetlands, floodways, and other areas where water |
| 16 | naturally collects or drains to the ocean. |
| 17 | "Wetlands" means: |
| 18 | (1) Land that is transitional between terrestrial and |
| 19 | aquatic ecosystems where water is the primary factor |
| 20 | controlling the environment and the associated animal |
| 21 | and plant life, where for any duration of time, |



| 1 | | including non-consecutive years, the water table is at |
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| 2 | | or near the surface and the land is covered by water |
| 3 | | or saturated by: |
| 4 | | (A) Subsurface water, including the water table, |
| 5 | | subsurface kahawai, or springs; or |
| 6 | | (B) Well or ditch influent water; |
| 7 | (2) | Areas of marsh, fen, peatland, or water; provided that |
| 8 | | water can be natural or artificial; permanent, |
| 9 | | temporary, intermittent, or ephemeral; static or |
| 10 | | flowing; fresh, brackish, or salt; or above or below |
| 11 | | ground; |
| 12 | <u>(3)</u> | Areas of marine water, the depth of which at low tide |
| 13 | | does not exceed six meters, including fishponds and |
| 14 | | coral reefs; |
| 15 | (4) | Areas of riparian zone, floodplain, and floodway, |
| 16 | | including flowing, intermittent, or ephemeral streams, |
| 17 | | and streambeds; |
| 18 | (5) | Areas of coastal zones adjacent to wetlands, islands, |
| 19 | | or bodies of marine water deeper than six meters at |
| 20 | | low tide lying within the wetlands; |

| 1 | <u>(6)</u> | Areas where hydric soils are present (soils that in |
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| 2 | | their undrained condition are saturated, flooded, or |
| 3 | | ponded, creating conditions that favor the growth and |
| 4 | | regeneration of hydrophytic vegetation); or where the |
| 5 | | substratum is nonsoil (gravel or rocks) and is |
| 6 | | periodically saturated with water or covered by |
| 7 | | shallow water; |
| 8 | <u>(7)</u> | Subsurface water that is hydrologically connected to |
| 9 | | wetlands; |
| 10 | (8) | Areas described by six wetland classifications, |
| 11 | | including: |
| 12 | | (A) Marine: coastal wetlands, coastal lagoons, rocky |
| 13 | | shores, seagrass beds, and coral reefs; |
| 14 | | (B) Estuarine: muliwai, deltas, tidal marshes, |
| 15 | | mudflats, and mangrove swamps; |
| 16 | | (C) Lacustrine: wetlands near natural lakes or |
| 17 | | ponds; |
| 18 | | (D) Riverine: wetlands near rivers, streams, and |
| 19 | | gulches; |
| 20 | | (E) Palustrine: marshes, swamps, and bogs; and |

| 1 | | <u>(F)</u> | Human-made: Native Hawaiian fish ponds, shrimp |
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| 2 | | | ponds, farm ponds, paddies, and dams; lo'i kalo; |
| 3 | | | and inland fishponds; |
| 4 | (9) | Area | s that provide wetland functions, including: |
| 5 | | <u>(A)</u> | Conveyance of stormwater; |
| 6 | | <u>(B)</u> | Flood attenuation and storage; |
| 7 | | <u>(C)</u> | Sediment attenuation and reduction; |
| 8 | | <u>(D)</u> | Nutrient and chemical attenuation and reduction; |
| 9 | | <u>(E)</u> | Plant community abundance and diversity; |
| 10 | | <u>(F)</u> | Fish and wildlife habitat; |
| 11 | | <u>(G)</u> | Groundwater recharge and discharge; |
| 12 | | <u>(H)</u> | Shoreline or stream bank anchoring; and |
| 13 | | <u>(I)</u> | Carbon sequestration; and |
| 14 | (10) | Area | s that formerly had wetland characteristics or |
| 15 | | func | tions but have been altered or degraded by |
| 16 | | chan | nelization, filling, draining, dredging, grading, |
| 17 | | grub | bing, deep ripping, groundwater pumping, hardening |
| 18 | | of s | urfaces, or introduction of non-native or |
| 19 | | aggr | essive-invasive plant and animal species." |
| 20 | SECT | ION 4 | . Section 343-5, Hawaii Revised Statutes, is |
| 1 | amandad b | | nding subsection (a) to read as follows: |



| 1 | " (a) | Except as otherwise provided, an environmental |
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| 2 | assessmen | t shall be required for actions that: |
| 3 | (1) | Propose the use of state or county lands or the use of |
| 4 | | state or county funds, other than funds to be used for |
| 5 | | feasibility or planning studies for possible future |
| 6 | | programs or projects that the agency has not approved, |
| 7 | | adopted, or funded, or funds to be used for the |
| 8 | | acquisition of unimproved real property; provided that |
| 9 | | the agency shall consider environmental factors and |
| 10 | | available alternatives in its feasibility or planning |
| 11 | | studies; provided further that an environmental |
| 12 | | assessment for proposed uses under section 205- |
| 13 | | 2(d)(11) or 205-4.5(a)(13) shall only be required |
| 14 | | pursuant to section 205-5(b); |
| 15 | (2) | Propose any use within any land classified as a |
| 16 | | conservation district by the state land use commission |

- 17 under chapter 205;
- (3) Propose any use within a shoreline area as defined in 18 19 section 205A-41;
- (4) Propose any use within any historic site as designated 20 21 in the National Register or Hawaii Register, as

| 1 | | provided for in the Historic Preservation Act of 1966, |
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| 2 | | Public Law 89-665, or chapter 6E; |
| 3 | (5) | Propose any use within the Waikiki area of Oahu, the |
| 4 | | boundaries of which are delineated in the land use |
| 5 | | ordinance as amended, establishing the "Waikiki |
| 6 | | Special District"; |
| 7 | (6) | Propose any amendments to existing county general |
| 8 | | plans where the amendment would result in designations |
| 9 | | other than agriculture, conservation, or preservation, |
| 10 | | except actions proposing any new county general plan |
| 11 | | or amendments to any existing county general plan |
| 12 | | initiated by a county; |
| 13 | (7) | Propose any reclassification of any land classified as |
| 14 | | a conservation district by the state land use |
| 15 | | commission under chapter 205; |
| 16 | (8) | Propose the construction of new or the expansion or |
| 17 | | modification of existing helicopter facilities within |
| 18 | | the State, that by way of their activities, may |
| 19 | | affect: |
| 20 | | (A) Any land classified as a conservation district by |
| 21 | | the state land use commission under chapter 205; |



| 1 | | (B) | A shoreline area as defined in section 205A-41; |
|----|-----|------|---|
| 2 | | | or |
| 3 | | (C) | Any historic site as designated in the National |
| 4 | | | Register or Hawaii Register, as provided for in |
| 5 | | | the Historic Preservation Act of 1966, Public Law |
| 6 | | | 89-665, or chapter 6E; or until the statewide |
| 7 | | | historic places inventory is completed, any |
| 8 | | | historic site that is found by a field |
| 9 | | | reconnaissance of the area affected by the |
| 10 | | | helicopter facility and is under consideration |
| 11 | | | for placement on the National Register or the |
| 12 | | | Hawaii Register of Historic Places; [and] |
| 13 | (9) | Prop | ose any: |
| 14 | | (A) | Wastewater treatment unit, except an individual |
| 15 | | | wastewater system or a wastewater treatment unit |
| 16 | | | serving fewer than fifty single-family dwellings |
| 17 | | | or the equivalent; |
| 18 | | (B) | Waste-to-energy facility; |
| 19 | | (C) | Landfill; |
| 20 | | (D) | Oil refinery; or |
| 21 | | (E) | Power-generating facility[+]; and |



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Report Title:

Wetland Protection; Wetlands; Natural Stormwater Infrastructure; Environmental Assessment; Housing Development

Description:

Amends provisions that exempt a proposed housing project of the Hawaii housing finance and development corporation from statutes, ordinances, charter provisions to include a requirement that the proposed project does not impact wetlands or natural stormwater infrastructure. Requires an environmental assessment for actions under the environmental impact statements law that propose any development that would impact wetlands or natural stormwater infrastructure.

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