THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII S.B. NO. <sup>1066</sup> S.D. 1

## A BILL FOR AN ACT

RELATING TO FRESH WATER SECURITY.

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

1 SECTION 1. The legislature finds that the Hawaii Community 2 Foundation's Fresh Water Council defined water security for 3 Hawaii as a "sustainable, plentiful, and cost-effective fresh water supply for all of Hawaii's agricultural, cultural, 4 5 domestic, economic, and ecosystem needs by 2030." Over a 6 century ago, Hawaii's plantation agricultural enterprises 7 supported and created water infrastructure. Those historic 8 investments established the water infrastructure that is used 9 today, but the industry has since left the State along with the 10 money necessary to maintain it. Further, that same 11 infrastructure is expected to deliver an even greater set of water values and benefits than before. 12

The legislature further finds that the State has been left with dams and reservoirs that have become liabilities rather than assets; insufficient watershed protection that threatens Hawaii's natural fresh water sources; and outdated, inefficient, and leaky water transmission systems. Climate change is rapidly

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altering Hawaii's water reality, and the State's ongoing
responsibility to provide water to satisfy the increasing needs
of multiple beneficial uses requires increasing capital
investment.

5 The legislature further finds that the Fresh Water Council 6 distilled nearly two years of water security research and 7 analysis into a single goal: the need to create one hundred 8 million gallons per day in additional, reliable fresh water 9 capacity for the islands by 2030. To achieve this goal, water 10 experts and evidence suggests that significant investments are 11 needed in the forms of system upgrades, new source development, 12 improved conservation, watershed restoration and protection, 13 relocated wastewater treatment plants, decentralized and scaled water recycling, storm water capture, and more efficient water 14 15 transmission.

16 The legislature further finds that new and innovative 17 investment partnerships and community engagement are needed to 18 mobilize large-scale investment in Hawaii's fresh water 19 security. This will require partners from multiple sectors, 20 including county, state, and federal governments, as well as

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1 private philanthropic and corporate entities, to work together 2 to leverage funds and provide matching opportunities. 3 The legislature finds that the risks of doing nothing are enormous. The Red Hill Bulk Fuel Storage Facility fuel leak and 4 5 the climate change-induced water crisis unfolding around the globe offer potent reminders of the human, economic, and 6 7 environmental harms associated with a dramatic reduction in 8 fresh water supply. These alarming circumstances demand 9 innovative strategies that braid streams of capital to make 10 long-needed projects viable.

Accordingly, the purpose of this Act is to establish within the department of land and natural resources a water security working group to study and recommend priority capital improvement projects, including funding and financing strategies for each project, for legislative consideration and approval that leverage public-private investment to increase Hawaii's water security.

18 SECTION 2. (a) There is established within the department 19 of land and natural resources a water security working group to 20 study and recommend priority capital improvement projects, 21 including funding and financing strategies for each project, for

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1	legislati	ve consideration and approval that leverage public-
2	private i	nvestment to increase Hawaii's water security. The
3	working g	roup shall consider projects that:
4	(1)	Protect and manage Hawaii's forested watersheds;
5	(2)	Renovate dams and reservoirs;
6	(3)	Improve the efficiency of water transmission and
7		irrigation systems;
8	(4)	Reduce the use of potable water for landscape and
9		other nonfood irrigation;
10	(5)	Encourage water re-use;
11	(6)	Monitor the quality and quantity of the water supply;
12	:	and
13	(7)	Are deemed appropriate, pursuant to the discretion of
14		the working group.
15	(b)	The working group shall establish criteria for
16	evaluatin	g potential capital improvement projects and priority
17	based on	but not limited to:
18	(1)	The public and private benefits of the project;
19	(2)	The level of community support or opposition to the
20		project;

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1	(3)	The cost estimates and timetable for the completion of
2		the project;
3	(4)	The potential for financial and in-kind contributions
4		from funding partners; and
5	(5)	The amount of water conserved, recharged, or re-used
6		by the project.
7	(c)	The working group shall consist of but not be limited
8	to the fo	llowing members:
9	(1)	A manager or chief engineer of a county water utility;
10	(2)	The deputy director of the commission on water
11		resource management of the department of land and
12	÷	natural resources;
13	(3)	The administrator of the division of forestry and
14		wildlife of the department of land and natural
15	÷.Ť	resources, or administrator's designee;
16	(4)	The deputy director of the department of health, or
17		deputy director's designee;
18	(5)	A member with knowledge of agricultural water storage
19		and transmission systems;
20	(6)	A member from a private landowning entity that
21		actively partners with a watershed partnership;



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1 (7)A member with knowledge, experience, and expertise in 2 Native Hawaiian cultural practices; and 3 (8) A member representing a philanthropic organization. 4 The working group may request assistance and feedback (d) 5 from the counties of Oahu, Maui, Kauai, and Hawaii, the 6 department of land and natural resources, department of 7 agriculture, and any other department deemed appropriate, to 8 provide expertise to the working group in conducting the water 9 security study. The working group shall further consult with 10 industry stakeholders, private landowners, and other 11 environmental organizations, who are encouraged to cooperate and 12 provide information or input. 13 (e) The working group shall submit a report of its 14 findings and recommendations, including any proposed 15 legislation, relating to the water security study to the 16 legislature no later than twenty days prior to the convening of 17 the regular session of 2024. 18 The members of the working group shall serve without (f) 19 compensation but shall be reimbursed for expenses, including 20 travel expenses, necessary for the performance of their duties.

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(g) No member of the working group shall be subject to
chapter 84, Hawaii Revised Statutes, solely because of the
member's participation in the working group.

The working group shall be dissolved on June 30, 2024. 4 (h) 5 SECTION 3. There is appropriated out of the general 6 revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2023-2024 for the 7 working group's support, travel, meeting, and operational costs; 8 9 provided that all moneys from the appropriation that are unencumbered as of June 30, 2024, shall lapse to the credit of 10 11 the general fund.

12 The sum appropriated shall be expended by the department of 13 land and natural resources for the purposes of this Act.

14 SECTION 4. This Act shall take effect on July 1, 2050.



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#### Report Title:

Water Security Working Group; Department of Land and Natural Resources; Study; Capital Improvement Projects; Appropriation

#### Description:

Establishes within the Department of Land and Natural Resources a Water Security Working Group to study and recommend priority capital improvement projects, including funding and financing strategies for each project, for legislative consideration and approval that leverage public-private investment to increase Hawaii's water security. Makes an appropriation. Effective 7/1/2050. (SD1)

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

