
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature finds that the State is
2 suffering from an acute shortage of affordable housing, with the
3 rapidly rising cost of housing in the State consistently pricing
4 out local renters and homeowners. The development of new
5 housing is hindered by barriers such as geographic limitations,
6 lack of major infrastructure, and government regulation. The
7 legislature recognizes that the State's ongoing housing shortage
8 warrants a thorough examination of every impediment to the
9 development of affordable housing, including access to potable
10 water.

11 The legislature also finds that under article XI,
12 section 7, of the Hawaii State Constitution, "[t]he State has an
13 obligation to protect, control and regulate the use of Hawaii's
14 water resources for the benefit of its people." Thus, the
15 Hawaii water plan, established under the state water code
16 pursuant to chapter 174C, Hawaii Revised Statutes, implements a



1 comprehensive water resources plan to address supply and
2 conservation of the State's water resources.

3 The Hawaii water plan consists of four parts, with a
4 different entity responsible for preparing each part, including:

5 (1) A water resource protection plan, prepared by the
6 commission on water resource management;

7 (2) A water use and development plan, prepared by each
8 county;

9 (3) A state water projects plan, prepared by the
10 engineering division of the department of land and
11 natural resources; and

12 (4) A water quality plan, prepared by the department of
13 health.

14 Each component considers the other aspects of the Hawaii water
15 plan, therefore requiring cooperation amongst the various
16 entities involved.

17 The legislature additionally finds that in recent years,
18 determinations made by the commission on water resource
19 management have conflicted with the recommended water resource
20 distribution determined in various counties' water use and
21 development plans. The counties' water use and development



1 plans align future demand with the county's land use plans, the
2 community's priorities, climate change impacts, and other
3 considerations. The legislature believes that the counties are
4 well-equipped to determine water allocation to future land use,
5 as prescribed by the Hawaii water plan, to maintain consistency
6 with the respective county zoning and planning policies.

7 Accordingly, the purpose of this Act is to establish a
8 working group to:

- 9 (1) Ascertain the State's available water resources and
10 water system source capacity; and
11 (2) Streamline well permit approval processes to ensure
12 available water supply to further plan for the
13 development of affordable housing.

14 SECTION 2. (a) There is established a working group to
15 ascertain and address state watershed management to enable the
16 development and construction of affordable housing projects
17 across the State.

18 The working group shall be placed in the office of the
19 governor for administrative purposes.

20 (b) The working group shall conduct an inventory of all
21 available water resources statewide and identify appropriate



1 aquifer replenishment as it pertains to each county water use
2 and development plan, including the water source capacity for
3 affordable housing development, and streamline the well permit
4 approval process to ensure available water supply.

5 (c) The working group shall address and make
6 recommendations on:

7 (1) Mitigating impacts arising from affordable housing
8 development;

9 (2) Projected water usage following the completion of
10 affordable housing projects in each county;

11 (3) The adoption of rules for water allocation for each
12 county;

13 (4) Defining the role of the commission on water resource
14 management in relation to affordable housing
15 development statewide; and

16 (5) The impact of federal government obligations on the
17 development of new water sources for affordable
18 housing.

19 (d) The working group shall consist of the following
20 members:



- 1 (1) The chief housing officer, who shall serve as
- 2 chairperson of the working group;
- 3 (2) The chairs of the senate and house of representatives
- 4 standing committees on housing;
- 5 (3) The executive director of the Hawaii housing finance
- 6 and development corporation, or the executive
- 7 director's designee;
- 8 (4) The chairperson of the commission on water resource
- 9 management, or the chairperson's designee;
- 10 (5) The director of health, or the director's designee;
- 11 (6) The chief engineer of the department of land and
- 12 natural resources engineering division, or the chief
- 13 engineer's designee;
- 14 (7) The directors of each county planning department, or
- 15 their designees;
- 16 (8) The directors of each county housing department, or
- 17 their designees; and
- 18 (9) The chief engineers of each county board of water
- 19 supply, or their designees.
- 20 (e) No later than September 15, 2025, the working group
- 21 shall submit an interim report of its status and progress,



1 including any preliminary findings, to the legislature. The
2 interim report shall include the working group's plan on how the
3 working group intends to proceed in carrying out its duties
4 pursuant to this Act.

5 (f) No later than twenty days prior to the convening of
6 the regular session of 2026, the working group shall submit a
7 final report of its findings and recommendations, including any
8 proposed legislation, to the legislature.

9 (g) The working group shall be dissolved on June 30, 2026.

10 SECTION 3. This Act shall take effect upon its approval.



Report Title:

Government; Affordable Housing; Watershed Management; Water Resources; Working Group; Reports

Description:

Establishes a working group within the Office of the Governor for administrative purposes to ascertain the State's available water resources and water system source capacity and to streamline well permit approval processes to further plan for the development of affordable housing. Requires the working group to inventory all available water resources statewide and identify sources of aquifer replenishment in relation to affordable housing development. Requires an interim and final report to the Legislature. (SD2)

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