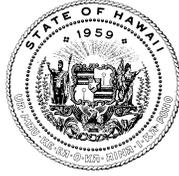


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KALI WATSON
CHAIRPERSON, HHC
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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka 'Oihana 'Āina Ho'opulapula Hawaii'i

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**TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEES ON HAWAIIAN
AFFAIRS AND WATER, LAND, CULTURE AND THE ARTS
ON FEBRUARY 10, 2026 AT 1:00PM IN CR 224**

SB 521, RELATING TO ACCESS TO WATER ON HAWAIIAN HOME LANDS

February 10, 2026

Aloha Chairs Richards and Lee, Vice Chairs Lamosao and Inouye, and Members of the Committees:

The Department of Hawaiian Home Lands (DHHL) submits **comments** on this bill which requires DHHL to work with the appropriate county board or department of water supply to provide access to potable and agricultural water on Hawaiian Home Lands; provided that any agreement between DHHL and that county board or department of water supply is made available to the public.

DHHL appreciates the intent of this bill. The State Water Code in Chapter 174C, Hawaii Revised Statutes, requires reservations of water for current and foreseeable DHHL projects and needs. In this way, water is treated as a public trust, with priority given to Native Hawaiian, domestic, and kuleana needs.

DHHL typically has water agreements that are region specific because the water landscape and system in each area is different. For example, DHHL has a water agreement with the County of Hawaii Department of Water Supply (DWS) for water credits or equivalent units to serve its lands in the Lālāmilo and Pu'ukapu region. DHHL and DWS have been working on crafting a water agreement for water needs to serve La'i 'Ōpua homestead development in North Kona. DHHL is also in the process of developing a Memorandum of Agreement (MOA) with County of Maui Department of Water Supply to support its planned homestead developments in Central Maui. DHHL works with the Honolulu Board of Water Supply for its planned homesteads, though a formal MOA or water agreement is not often necessary as much of the areas slated for homestead development are near an existing BWS water system. This is not always the case on the neighbor islands.

Particularly with neighbor island homesteads, much of DHHL's lands designated for homesteading are located in rural areas that are not currently served by any water system, let alone a County water system. DHHL's Kailapa homestead in Kawaihae is located within the Kohala Aquifer Sector Area, in the Mahukona Aquifer System Area. The County DWS water system serves Kawaihae harbor area and DHHL's Kawaihae makai homesteads and commercial/industrial area, but service ends at Honokoa gulch where the County waterlines end. From Honokoa gulch north, there is no County water service until North Kohala in Hāwī. All water users, including DHHL's Kailapa homestead, are unable to access County potable water, as there is currently no County water system in the region to connect to. DHHL's path to access water, both potable and non-potable, is one of the most looming constraints to the development of its homestead lands.

At present, the process for providing County water service for its planned homesteads is costly, time consuming, and the subject of much criticism. The fact remains, there are many challenges in developing water access for homestead communities via the current process accepted by the County. The required process puts the sole burden of water source development, due diligence, permitting and interconnection with an existing County system on DHHL. After the interconnection is completed, DHHL is often asked to dedicate the entirety of the water infrastructure that has been developed to the County in perpetuity and with the land disposition being granted at no cost to the County. This process has been a source of concern and frustration for DHHL's beneficiaries who feel like the process is too arduous and is yet another barrier to receiving their homestead awards they have waited, often decades, for. Therefore, DHHL remains open to ways in which the counties can collaboratively work with DHHL to provide both potable and agricultural water on Hawaiian Home Lands, including but not limited to authorizing DHHL to purchase water credits and/or appropriating funds for water source development.

Thank you for your consideration of our testimony.



WAI'ANAE COAST COMMUNITY FOUNDATION

(A nonprofit organization serving our community)

P. O. Box 2308, Wai'anae, Hawaii 96792

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Patty Kahanamoku Teruya
President/Director

Keoki K. Aiwohi
Vice President/Director

Katherine N Paas
Treasurer/Director

February 8, 2026

Chair of the Committee on Hawaiian Affairs; Chair of the Committee on Water and Land; and Members of the Committees.

RE: TESTIMONY IN SUPPORT OF SB 521 – RELATING TO ACCESS TO WATER ON HAWAIIAN HOMELANDS

Aloha Chairs and Committee Members, Patty Kahanamoku-Teruya and a DHHL beneficiary, testifying in strong support of SB 521.

For many beneficiaries, receiving a land award is only half the battle. Without a reliable connection to county water systems, these lands cannot be lived upon or farmed. Historically, the lack of coordination between the DHHL and county water departments has led to "paper awards" land that beneficiaries technically own but cannot use because there is no water infrastructure.

SB 521 is vital because it mandates coordination as it formalizes the relationship between the DHHL and the counties to prioritize water access for homesteaders and ensures transparency by making agreements public, it allows beneficiaries to hold both the state and the counties accountable for the delivery of these essential services.

The access to agricultural water is essential for Native Hawaiian families to maintain traditional farming practices and provide for their communities. Water is a public trust and providing it to Hawaiian Homelands is a legal obligation of the state. I urge the committee to pass this measure to ensure that the water rights of the Hawaiian people are protected and fulfilled.

Mahalo for your time and consideration.
Patty Kahanamoku-Teruya, President Director
808 723-9161 pattyteruya@gmail.com

SB-521

Submitted on: 2/7/2026 9:43:48 PM

Testimony for HWN on 2/10/2026 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anela Higgins	Individual	Support	Written Testimony Only

Comments:

As many DHHL communities struggle with water access, I support this bill so that all lessees have clean drinking water, in addition to water for agriculture.