

DAVID Y. IGE  
GOVERNOR OF HAWAII



**STATE OF HAWAII**  
**DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
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**Testimony of**  
**SUZANNE D. CASE**  
**Chairperson**

**Before the House Committee on**  
**FINANCE**

**Friday, February 26, 2016**  
**1:00 PM**  
**State Capitol, Conference Room 308**

**In consideration of**  
**HOUSE BILL 2040**  
**RELATING TO WATER SECURITY**

House Bill 2040 proposes to establish a two-year pilot program for a water security advisory group to enable public-private partnerships that increase water security by providing matching state funds for projects and programs to increase groundwater recharge, encourage water reuse, and improve the efficiency of potable and agricultural water use. **The Department of Land and Natural Resources (Department) supports this measure provided that this appropriation does not adversely impact appropriations for other priorities in the Executive Supplemental Budget request or any existing funding to the Department's programs, and has the following comments:**

While SECTION 4 of the bill provides the Department with the ability to contract with an independent non-profit entity to carry out the duties and activities associated with this measure, the Department is concerned existing staff resources are insufficient for the workload involved with procurement, management and monitoring of the agreement with the non-profit, services to carry out the projects and programs approved by the water security advisory group, and contracts for approved projects and programs. Additional staff resources would be needed for this project oversight. SECTION 6 of the bill provides for an unspecified amount of general revenues to support the two-year pilot program, which should include sufficient resources for staff oversight.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**KEKOA KALUHIWA**  
FIRST DEPUTY

**JEFFREY T. PEARSON, P.E.**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
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HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

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CITY AND COUNTY OF HONOLULU  
630 SOUTH BERETANIA STREET  
HONOLULU, HI 96843



February 26, 2016

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Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.  
Deputy Manager and Chief Engineer

The Honorable Sylvia Luke, Chair  
and Members  
Committee on Finance  
House of Representatives  
Hawaii State Capitol, Room 308  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

Subject: House Bill 2040 Relating to Water Security

We support House Bill 2040, which establishes a two-year pilot program for a Water Security Advisory Group in the Department of Land and Natural Resources that enables public-private partnerships by providing matching funds for projects that increase water security. This pilot program will provide incentives to increase the recharge of groundwater resources, encourage the reuse of water and reduce the use of potable water for landscaping irrigation, and improve the efficiency of potable and agricultural water use.

Thank you for your consideration of our testimony on House Bill 2040.

Very truly yours,

ERNEST Y. W. LAU, P.E.  
Manager and Chief Engineer



February 24, 2016

Representative Sylvia Luke, Chair  
Representative Scott Y. Nishimoto, Vice Chair  
House Committee on Finance

**Support of HB 2040, Relating to Water Security. (Establishes a 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.)**

**FIN Hearing: Friday, February 26, 2016, 1:00 p.m., Conference Room 308**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF is in **strong support of HB 2040**, which establishes a two-year pilot program for a Water Security Advisory Group in the Department of Land and Natural Resources that enables public-private partnerships by providing matching funds for projects that increase water security.

Thank you for the opportunity to present testimony regarding this measure.



# Wai Maoli

HAWAII FRESH WATER INITIATIVE

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HawaiiCommunityFoundation.org

## Fresh Water Council Members

William Aila

Stephen Anthony\*

Michael Buck

Suzanne Case

Reginald Castanares

Meredith Ching

Derek Chow

Ka'eo Duarte

Sumner Erdman

Mark Fox

Thomas Giambelluca

Timothy Johns

Howard Killian

Patrick Kobayashi

Ernest Lau

Keith Okamoto

Jerry Ornellas

Monty Richards

Kapua Sproat

David Taylor

Dennis Teranishi

Barry Usagawa

\*US Geological Survey  
Liaison/Scientific Advisor to HCF

## Testimony of the Hawai'i Fresh Water Initiative on H.B. 2040 Relating to Water Security House Committee on Finance Friday, February 26, 2016. 1:00 P.M. Conference Room 308

The Hawaii Fresh Water Initiative strongly supports H.B. 2040, which establishes a two-year pilot project to provide funds for projects and programs to increase water security in the State of Hawaii.

The Hawaii Fresh Water Initiative was launched in 2013 and gathered a diverse Fresh Water Council to develop a forward-thinking and consensus-based strategy to increase water security for Hawaii. The blue ribbon panel of water stakeholders jointly and unanimously recommend key strategies and policies with an ultimate goal of creating 100 million gallons per day (mgd) in additional, reliable fresh water capacity by 2030. One of the key strategies to achieve this statewide water goal is to increase innovation in the water recharge, reuse, and conservation fields through a public-private pilot funding mechanism. H.B. 2040 will:

- Establish a water security advisory group made up of water managers, agricultural water system experts, private landowners that are active watershed partners, knowledgeable experts in Hawaiian cultural practices, and a representative of a conservation organization;
- Authorize the advisory group to establish criteria to evaluate and assign priorities for proposals by public or private agencies or organizations that are able to provide matching funds to increase water security; and
- Authorize the advisory group to recommend priorities to the Department of Land and Natural Resources for the grant of matching funds for water security programs.

In establishing the priorities for the pilot project, the advisory group is directed to encourage innovative proposals statewide that:

- Establish new techniques and projects supporting the recharge of groundwater;
- Reduce the use of potable water for landscape irrigation and encourage the reuse of Hawai'i wastewater; and
- Improve the efficiency of potable domestic water or agricultural irrigation water use.

H.B. 2040 requires the selected projects to submit reports on the amount of water conserved, recharged, or reused, and requires the Department to submit an annual report on the pilot program to the Governor and to the Legislature.

This pilot program will establish base-line information for the implementation of a longer-term program.

For these reasons, we strongly support H.B. 2040 and urge its passage.



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February 26, 2016

HEARING BEFORE THE  
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 2040  
RELATING TO WATER SECURITY

Room 308  
1:00 PM

Aloha Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

**The Hawaii Farm Bureau strongly supports HB 2040**, establishing a 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.

Advancements in the State's water infrastructure have far lagged population increases. At the same time, the time to prepare for a drought is when it is raining. Hawaii has had increased rainfall during the past few years and a sense of complacency to drought has developed. Yet forecasters predict prolonged droughts in the near future.

Recent reports on Maui, the island most dependent on surface water is dire:

The U.S. Geological Survey's gauge on Puu Kukui in the West Maui Mountains, **one of the wettest places in the world, logged its lowest January since 1977** and its lowest total for any month since May 1989, according to the weather service. **Only 1.08 inches - or 3 percent of normal rainfall - fell in January. The average rainfall for the month is 31 inches.**

Ulupalakua in Upcountry also was dry with **only 0.2 inch of rain; 4.71 inches** fall on average.

Maui News: February 5, 2016

This program creatively seeks to incentivize efforts to increase water supplies by increasing efficiency, encouraging recharge and encouraging reuse.

We request your **support of HB 2040**, urgently needed to increase Hawaii's tolerance and resiliency to drought event. Thank you.



**LATE**

## Surfrider Foundation Oahu Chapter

Rafael Bergstrom, Oahu Chapter Coordinator

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Aloha Chair Luke & the House Finance Committee

RE: HB 2040: In Strong Support  
Friday, February 26, 2016  
TIME: 1 PM  
PLACE: Conference Room 308

I am writing on behalf of the Surfrider Foundation's Oahu Chapter in support of HB 2040, that establishes a 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. Preserving our freshwater supplies is a crucial step towards creating a sustainable future in Hawai'i. As we continue to use more than 50% of our drinking water for irrigation purposes it is imperative that our state find creative mechanisms to incentivize the public & private businesses to take charge of their water re-use and contribute to a reduced reliance on potable water for purposes outside of drinking.

Surfrider Oahu has greatly increased its Ocean Friendly Garden program in the past two years and aims to continue to educate and provide hands on technique training for water capture and reuse. Giving business and homeowners the option to have some of their expenses covered will encourage the growth of this important building sector. Not only will residents/businesses of Hawai'i be taking meaningful action to protect our freshwater resources, but they will also be supporting the growth of a new industry in building technology.

In addition to the freshwater recharge, collecting stormwater for reuse helps reduce the impact of polluted runoff that enters our stormdrains and empties into our oceans. Stormwater pollution as well as fresh water recharge having become major priorities for both the State as a whole and the City and Counties who serve diversified needs and issues.

Please help Hawai'i to take charge of preserving our most precious natural resource – fresh water – and give citizens and businesses an incentive to actively take part in this important sustainability goal.

Mahalo for your time and consideration on this important topic.

Cheers,  
Rafael Bergstrom  
Surfrider Oahu Chapter Coordinator



*Hawai'i Green Growth is a public-private partnership that coordinates across government, non-governmental and cultural organizations, business, academia and philanthropy to achieve Hawai'i's Aloha+ Challenge 2030 sustainability goals.*

**LATE**

## Steering Committee

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Scott Seu  
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William J. Aila Jr.

## Testimony of Hawai'i Green Growth In Support of HB2040 Relating to Water Security House Committee on Finance 26 February 2016, 1:00pm, Room 308

Aloha Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

**Hawai'i Green Growth (HGG) strongly supports HB2040** to establish a two-year pilot project in the Department of Land and Natural Resources that leverages state funds through public-private partnerships for projects that increase freshwater security.

The Aloha+ Natural Capital Investment Partnership is a joint public-private conservation commitment to drive action on the *Aloha+ Challenge* natural resources goals through joint financing. It calls for doubling Hawai'i's public investment in natural resource management by 2025, and will leverage this with a 1:1 match of private and philanthropic contributions. Public-private partnerships that bring together state, county and federal governments with private philanthropic and business entities are needed to provide essential reliable, long-term funding. Based on global climate disruption, increasingly severe weather and natural disasters, and projected long-term decline of rainfall, there is an urgency to invest in Hawai'i's freshwater supplies.

Starting with freshwater security, this initiative aims to increase Hawai'i's freshwater availability by 100 million gallons per day, and fund water projects that will enhance supply, conserve, and reuse water. This pilot will launch a public-private partnership that leverages state funding with private sector finance for overall natural resource management, including marine management, watershed protection and other key areas.

HGG public-private partners identified HB2040 as an important shared 2016 legislative priority to advance the *Aloha+ Challenge* natural resource and fresh water goals. The *Aloha+ Challenge* is a statewide commitment by the State Legislature (SCR 69), Governor, Mayors and Office of Hawaiian Affairs to achieve six sustainability goals for 2030 in the areas of clean energy, local food, natural resources, solid waste reduction, smart growth and climate resilience, and green jobs and education. Statewide HGG public-private partners are identifying shared measures to track progress and provide accountability with the online *Aloha+ Challenge* Dashboard, while developing an annual policy and action agenda to advance Hawai'i's shared 2030 sustainability goals.

The *Aloha+ Challenge* has been recognized nationally and internationally by the US State Department and Global Island Partnership as a model for locally appropriate implementation of UN Sustainable Development Goals. With the upcoming IUCN World Conservation Congress hosted by Hawai'i in September 2016, this legislative session is an important opportunity for Hawai'i to showcase leadership on sustainable development, conservation and resilience.

As a public-private partnership, Hawai'i Green Growth supports HB2040 to help drive implementation and investment on statewide natural resources goals.