

JAN 21 2022

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# A BILL FOR AN ACT

RELATING TO WATER RESOURCE MANAGEMENT FOR AFFORDABLE HOUSING  
DEVELOPMENT.

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

1       SECTION 1. The legislature finds that the cost and  
2       availability of housing in the State are significant challenges  
3       facing Hawai'i residents. Due to the barriers hindering the  
4       production of new housing, such as geographic limitations, lack  
5       of major infrastructure, and government regulation, the  
6       legislature finds that new potable water resources will enable  
7       more affordable housing development. As the regulation of water  
8       resources are administered by multiple agencies at the county  
9       and state level, depending on the legal designation of the water  
10      source in question and the quantity of water being used,  
11      providing access to potable water for affordable housing  
12      development is critical to solve the State's affordable housing  
13      crisis.

14      The legislature further finds that water use in the State  
15      frequently requires approval by the commission on water resource  
16      management, which currently lacks a process to identify and



1 support affordable housing development. The commission is  
2 authorized by chapter 174C, Hawaii Revised Statutes, to issue  
3 permits upon application for the use of water resources,  
4 pursuant to rules adopted by the commission. Section  
5 174C-53(c), Hawaii Revised Statutes, requires the commission to  
6 issue a decision on an application within ninety days if the  
7 application does not require a hearing, or within one hundred  
8 eighty days if a hearing is required. Included in the existing  
9 decision-making timeline, pursuant to section 174C-49(b), Hawaii  
10 Revised Statutes, is a sixty-day window within which the  
11 affected county may comment on the proposed use.

12 The legislature additionally finds that there is a lack of  
13 potable water sources for affordable housing, especially in  
14 rural areas, and that this lack is exacerbated by delays in the  
15 permit approval process. Additionally, there is a lack of any  
16 current process to address federal inquiries related to the  
17 activities of the commission on water resource management, which  
18 can result in further delays when an inquiry is initiated.

19 Accordingly, the purpose of this Act is to:

- 20 (1) Provide a process for the commission on water resource  
21 management to support affordable housing development



1 by issuing a decision on a water use permit  
2 application within the statutory period set forth in  
3 subsection 174C-53(c), Hawaii Revised Statutes, and if  
4 not issued in the prescribed time, the application  
5 will be deemed approved; and

6 (2) Establish a water resource management for affordable  
7 housing development working group that shall convene  
8 upon a federal agency or authority's initiation of an  
9 inquiry or investigation relating to the commission on  
10 water resource management to address the inquiry or  
11 investigation.

12 SECTION 2. The commission on water resource management  
13 shall review and issue a decision on any permit application  
14 relating to a new water source or new water use within the time  
15 period provided under subsection 174C-53(c), Hawaii Revised  
16 Statutes. If the commission does not issue a decision on an  
17 application within the time period provided, the application  
18 shall be deemed to be approved.

19 SECTION 3. (a) If a federal agency or authority initiates  
20 an inquiry or investigation relating to the commission on water  
21 resource management, a water resource management for affordable



1 housing development working group shall be convened for the  
2 purpose of addressing the concerns raised by the inquiry or  
3 investigation.

4 (b) The working group shall consist of:

5 (1) A member of the board of land and natural resources;

6 (2) One person designated by the office of the mayor of  
7 each county;

8 (3) One person designated by the department of Hawaiian  
9 home lands; and

10 (4) One person designated by each county's department of  
11 water supply.

12 (c) The working group shall create a process to remediate  
13 the concerns of the federal agency or authority and submit the  
14 working group's recommendations to the commission on water  
15 resource management. After receiving the recommendations of the  
16 working group, the commission on water resource management shall  
17 adopt rules in accordance with chapter 91, Hawaii Revised  
18 Statutes, to implement the process developed by the working  
19 group.

20 SECTION 4. The auditor shall submit a report on the  
21 effectiveness of this Act, including recommendations and



1 proposed legislation, to the legislature no later than twenty  
2 days prior to the convening of the Regular Session of 2023.

3 SECTION 5. This Act shall take effect upon its approval;  
4 provided that this Act shall be repealed two years after the  
5 effective date of this Act.

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INTRODUCED BY: \_\_\_\_\_



# S.B. NO. 2004

**Report Title:**

Commission on Water Resource Management; Permit Applications; New Water Sources; New Water Uses; Deadline for Review and Approval; Working Group

**Description:**

Provides that, if the Commission on Water Resource Management fails to review a permit application relating to new water uses or new water sources for affordable housing development, and issue a decision on that application within the existing statutory period, the application is deemed to be approved. Convenes a Water Resource Management for Affordable Housing Development Working Group upon the initiation of a federal investigation or inquiry relating to the Commission on Water Resource Management to address the concerns raised by the investigation or inquiry. Requires the Auditor to submit a report on the effectiveness of this Act. Sunsets two years after the effective date of the Act.

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

