

Honolulu, Hawaii

FEB 15 2023

RE: S.B. No. 1573
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Housing and Water and Land, to which was referred S.B. No. 1573 entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a working group within the Department of Land and Natural Resources to ascertain the State's available water resources as pertaining to affordable housing;
- (2) Require the working group to inventory all available water resources statewide and identify sources of aquifer replenishment in relation to affordable housing development; and
- (3) Require a report to the Legislature.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Natural Energy Laboratory of Hawaii Authority, one member of the Hawai'i County Council, two members of the Kaua'i County Council, Honolulu Board of Water Supply, Department of Water Supply for the County of Hawaii, and Hawai'i Association of REALTORS. Your Committees received comments on this measure from the Department of Land and Natural Resources and one individual.



Your Committees find that the permitting for potable water systems and infrastructure is a critical issue that affects delaying the development of affordable housing projects statewide. This measure addresses this long-standing issue by establishing a working group to determine a balance between water resource management and fulfilling the need for more affordable housing.

Your Committees have amended this measure by:

- (1) Administratively attaching the working group to the Office of the Governor and requiring the Chief Housing Officer to lead and chair the working group;
- (2) Requiring the working group to also ascertain water system source capacity and streamline the well permit approval processes to ensure available water supply;
- (3) Requiring the working group to submit an interim progress report to the Legislature that includes a plan on how it intends to proceed in carrying out its duties under this measure and requiring a final report to the Legislature prior to the Regular Session of 2024; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1573, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1573, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Housing and Water
and Land,


LORRAINE R. INOUE, Chair


STANLEY CHANG, Chair



