



GOV. MSG. NO. 1274

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 30, 2016

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 30, 2016, the following bill was signed into law:

HB2040 SD1 CD1

RELATING TO WATER SECURITY
ACT 172 (16)

Sincerely,

A handwritten signature in black ink that reads "David Y. Ige".

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO WATER SECURITY.

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

PART I

1
2 SECTION 1. The 2016 Hawaii-hosted World Conservation
3 Congress presents an opportunity for Hawaii to demonstrate
4 international leadership in investing in natural capital that
5 supports economic growth and protects the quality of life. The
6 challenge of managing the State's limited natural resources such
7 as watersheds, marine habitat, and fresh water supply while
8 fostering community resilience is too large a task for a single
9 actor or sector to address alone. New and innovative
10 partnerships are needed to catalyze large-scale investment in
11 Hawaii's sustainable development. The Aloha+ Natural Capital
12 Investment Partnership is a joint public-private conservation
13 commitment that will demonstrate Hawaii's commitment to natural
14 resources management with a special focus on climate resilience
15 at the World Conservation Congress and beyond.

16 To provide reliable long-term funding needed to meet the
17 State's Aloha+ Challenge conservation targets by 2030, partners
18 from multiple sectors, including county, state, and federal



1 governments as well as private philanthropic and corporate
2 entities, must work together to leverage funds and provide
3 matching opportunities.

4 The purpose of this Act is to establish a two-year pilot
5 program for a water security advisory group to enable public-
6 private partnerships that increase water security by providing
7 matching state funds for projects and programs that:

- 8 (1) Increase the recharge of groundwater resources;
- 9 (2) Encourage the reuse of water and reduce the use of
10 potable water for landscaping irrigation; and
- 11 (3) Improve the efficiency of potable and agricultural
12 water use.

13 PART II

14 SECTION 2. The department of land and natural resources
15 shall establish a two-year pilot program for a water security
16 advisory group to enable public-private partnerships that
17 increase water security by providing matching state funds for
18 projects and programs that:

- 19 (1) Increase the recharge of groundwater resources;
- 20 (2) Encourage the reuse of water and reduce the use of
21 potable water for landscaping irrigation; and



1 (3) Improve the efficiency of potable and agricultural
2 water use.

3 SECTION 3. The department of land and natural resources
4 may establish an account or fund pursuant to section 37-52.5,
5 Hawaii Revised Statutes, into which shall be deposited:

- 6 (1) All moneys appropriated by the legislature;
- 7 (2) Gifts, grants, and other private funds; and
- 8 (3) Federal funds.

9 The moneys in the fund shall be used to fund priority projects
10 and programs to increase water security recommended by the water
11 security advisory group, provided that state funds are matched
12 on a one-for-one matching basis by the public or private agency
13 or organization that submitted the relevant proposal for a
14 project or program to increase water security.

15 SECTION 4. The department of land and natural resources
16 may contract with an independent non-profit entity to carry out
17 the duties and activities associated with this Act.

18 SECTION 5. The department of land and natural resources
19 shall establish a water security advisory group, not subject to
20 section 26-34, Hawaii Revised Statutes, which shall consist of:



- 1 (1) The manager and chief engineer of the board of water
2 supply of each county or each manager and chief
3 engineer's designee;
- 4 (2) The deputy director for water resource management of
5 the department of land and natural resources;
- 6 (3) A member with knowledge of agricultural water storage
7 and delivery systems selected by the chairperson of
8 the board of land and natural resources;
- 9 (4) A member from a private landowning entity that
10 actively partners with a watershed partnership
11 selected by the chairperson of the board of land and
12 natural resources;
- 13 (5) A member with knowledge, experience, and expertise in
14 the area of Hawaiian cultural practices selected by
15 the chairperson of the board of land and natural
16 resources; and
- 17 (6) A member representing a conservation organization
18 selected by the chairperson of the board of land and
19 natural resources.

20 The water security advisory group shall elect a chairperson
21 from among its members. Any action of the advisory group shall



1 be by a simple majority of its members. Five members shall
2 constitute a quorum.

3 SECTION 6. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$750,000 or so much
5 thereof as may be necessary for fiscal year 2016-2017 to carry
6 out the purposes of this Act.

7 The sum appropriated shall be expended by the department of
8 land and natural resources.

9 PART III

10 SECTION 7. (a) The water security advisory group shall
11 advise the department of land and natural resources on the
12 priority of all proposals for projects or programs submitted by
13 public or private agencies or organizations to increase water
14 security in the State and recommend high-priority programs for
15 the award of matching funds through the pilot program
16 established pursuant to this Act.

17 The water security advisory group shall:

- 18 (1) Establish criteria for the evaluation of proposals and
- 19 assignment of priority to proposals;
- 20 (2) Evaluate proposals based on the established criteria;
- 21 (3) Assign priorities to each proposal submitted; and



1 (4) Advise the department on its evaluation of and
2 assignment of priority to each proposal submitted.

3 (b) In advising the department on the priorities for
4 matching fund grants for projects and programs to increase water
5 security, the water security advisory group shall consider
6 projects and programs that:

7 (1) Establish new areas or increase existing areas for the
8 recharge of groundwater resources;

9 (2) Reduce the use of potable water for landscape
10 irrigation and encourage the reuse of water; and

11 (3) Improve the efficiency of potable domestic water or
12 agricultural irrigation use.

13 (c) All projects and programs recommended for approval by
14 the advisory group shall be required to track and report on the
15 amount of water conserved, recharged, or reused by the projects
16 and programs.

17 SECTION 8. The department of land and natural resources
18 shall submit an annual report on the pilot program established
19 pursuant to this Act to the governor and the legislature at
20 least twenty days prior to the convening of the 2017 and 2018
21 regular legislative sessions. The annual reports shall include:



- 1 (1) A summary of all the projects and programs approved to
2 increase water security by improving recharge of
3 groundwater, reducing the use of potable water for
4 irrigation, or encouraging reuse of water;
- 5 (2) Proposals for future projects and programs;
- 6 (3) A financial report for the preceding fiscal year; and
- 7 (4) Objectives and budget projections for the following
8 fiscal year.

9 SECTION 9. Members of the water security advisory group
10 shall serve without compensation. All necessary expenses of
11 each member, including travel expenses, shall be paid by the
12 agency, organization, or department which the member represents.
13 No member shall be made subject to chapter 84, Hawaii Revised
14 Statutes, solely because of that member's participation as a
15 member of the advisory group.

16 SECTION 10. The last contract for a project or program
17 recommended for approval by the water security advisory group
18 shall be executed before June 30, 2018.

19 PART IV

20 SECTION 11. Upon the repeal of this Act as provided in
21 section 12:



1 (1) All contracts, agreements, permits, or other documents
2 executed or entered into by the department of land and
3 natural resources pursuant to this Act shall remain in
4 full force and effect until terminated pursuant to the
5 terms of the relevant contract, agreement, permit, or
6 document; and

7 (2) All unexpended and unencumbered moneys remaining in an
8 account or fund established pursuant to section 3 and
9 deemed to be in excess of the moneys necessary to
10 carry out the purposes of this Act shall lapse to the
11 credit of the general fund.

12 SECTION 12. This Act shall take effect on July 1, 2016,
13 and shall be repealed on June 30, 2018.

APPROVED this 30 day of JUN, 2016



GOVERNOR OF THE STATE OF HAWAII

