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EDITORIAL | OUR VIEW

Editorial: House water bill not strict enough

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It's crunch time at the state Capitol and, as usually is the case, some eleventh-hour drama is being teed up for the session's final days before lawmakers adjourn May 2.

In the 2019 edition of this annual saga, one of the chief flash points is the battle over water-management policy on Maui, involving a powerful and influential landowner and other interest groups.

The Legislature has made some advances on key issues during the current session, with moves toward a minimum-wage increase but not one as large as advocates have hoped.

There's also a renewed push to collect taxes from vacation rentals statewide, which puts particular pressure on Oahu elected officials to get Honolulu's regulatory house in order on this front.

But what's particularly piqued the interest of Gov. David Ige, it seems, is resurrecting a stalled measure, House Bill 1326, which has been controversial especially among environmental groups. The bill would allow seven additional years of one-year revocable water permits despite a court order directing the state to convert promptly to long-term leases.

The bill's backers include some small farmers and ranchers as well as utilities on Kauai and Hawaii island. But principal among the holders of short-term water permits is Alexander & Baldwin Inc., which has sold vast land tracts to Mahi Pono LLC to start new farm operations. Without reliable permits for water, that deal may be endangered.

The bill still languishes in the Senate Ways and Means Committee and would require a maneuver by Senate leadership to bring it to the floor. Ige, a longtime chairman of that committee, knows it can be done and urged a rescue plan for the bill in a letter sent Thursday to leadership.

Senate rules would enable the bill to be recalled from committee. The real issue is whether passing that bill as currently written would serve the public interest.

Plainly, it would not.

Advocates for an extension say the East Maui Irrigation (EMI) system is complex and that managing water use in the changing agricultural landscape on Maui should be done carefully.

Without a doubt, the transition requires care, and there could be room for some give in the deadlines. But HB 1326, House Draft 2, proposes a seven-year extension, without sufficient conditions and checkpoints to guide compliance in a timely manner — and that is inordinately lax.

A floor amendment could set such conditions and curtail the extension to a more reasonable terms, at or around two years.

Failing similar changes being made, however, this measure is unacceptable; no reasonable justification has been offered for why such a long extension would be necessary. The goal of properly managing state water resources simply cannot be achieved with such a lack of resolve.

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The state Department of Land and Natural Resources, and its overseeing board, should be able to craft a short-term fix for smaller-scale users and see that A&B meets its legal commitment.

Other pending proposals should take their final form this week:

>> The House minimum-wage bill (HB 1191) should prevail: \$15 hourly or its equivalent (\$12.50, if prepaid health coverage is offered by the employer). It falls short of the \$17 favored by some, but it represents an incremental raise, completed by 2024, that should be sustainable. And there's no special deal for full-time state workers, who would get the \$17 rate, under the Senate version.

>> HB 1552, headed for conference, wisely would establish the independent Hawaii Correctional System Oversight Commission. Many developments, not the least of which was a recent riot in the Maui correctional center, amply demonstrate the need for such oversight.

>> Among the tax-reform bills, the Legislature should pass Senate Bill 301, which would require real estate investment trusts (REITs) to pay corporate income tax. The state coffers need the revenue and this would be tax fairness, plain and simple.

>> SB 1292 would finally require vacation rental platforms such as Airbnb to collect taxes from transient rental operators on behalf of the state. Enacting this bill would ratchet up the pressure on the Honolulu City Council to push through, at long last, the regulatory framework allowing a careful, limited expansion of short-term rental permits. With any luck, the Council is feeling the burn on this issue and will take action.

Lawmakers will continue to grapple with these concerns and others between now and May 2, when the governor begins his review of the bills.

Again, the public should keep focus on HB 1326, a measure that advocates will try to fly below the radar. Native Hawaiians and others have fought a long legal battle to assure the restoration of water to streams that supply agricultural activities. Staying the course to restore the health of East Maui streams should be the goal because, viewed more broadly, the issue of careful water management is critical to the health of Hawaii water resources — for everyone.