

STAND. COM. REP. NO.

1001

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 1807
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Energy and Environment and Transportation, International and Intergovernmental Affairs, to which was referred H.B. No. 1807, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WATER QUALITY,"

beg leave to report as follows:

The purpose of this measure is to enable Hawaii to receive and use moneys under the federal American Recovery and Reinvestment Act of 2009 and any later federal laws for drinking water or wastewater infrastructure.

Testimony in support of the measure was submitted by six county departments or boards and four private organizations. Testimony in support of the measure, with suggested amendments, was submitted by the Department of Health. Written testimony presented to your Committees may be reviewed on the Legislature's website.

Your Committees find that there are two revolving fund programs, the Drinking Water Fund, established under chapter 340E, Hawaii Revised Statutes, and the Revolving Fund, established in chapter 342D, Hawaii Revised Statutes, that currently loan funds to counties for the construction of publicly owned drinking water and wastewater infrastructure projects. These two revolving funds were established pursuant to federal law, and function like environmental infrastructure banks by distributing low interest rate loans for water quality projects. Loan repayments are

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recycled back into individual fund programs. Because Congress had intended for these funds to revolve in perpetuity, neither program allows for loan subsidies and grants to be made to the counties.

The American Recovery and Reinvestment Act of 2009, P.L. 111-5 (American Recovery and Reinvestment Act) will provide significant funding for wastewater and drinking water system improvements, totaling approximately \$49,800,000. The amendments in this measure are required to allow for loans to the counties with forgiveness of principal, zero or negative interest, and grants in order to permit these revolving fund programs to make grants and loan subsidies of funds from the American Recovery and Reinvestment Act funds.

The Department of Health has also raised a related issue in testimony. According to the Department of Health, an additional Total Maximum Daily Load Coordinator is required so that the Department of Health can properly and fully comply with federal water pollution control requirements in section 303 of the Clean Water Act of 1972 (P.L. 92-500), as amended. According to the Department of Health, the State needs highly qualified and experienced Total Maximum Daily Load Coordinators to protect the State from water pollution and to carefully repair the damages incurred to minimize impacts on Hawaii residents and the State's economic environment. This position is to be federally funded.

Your Committees have amended this measure by:

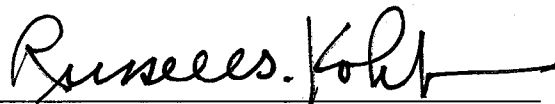
- (1) Adding the phrase "and other applicable federal acts" to the end of Section 2(c) and Section 3(c) of the measure, for consistency and to ensure that the State can take advantage of similar federal laws in the future;
- (2) Inserting as a new part Section 1 of S.B. No. 934, S.D. 1, authorizing the Department of Health to establish not more than two exempt positions for Total Maximum Daily Loan Coordinators; and
- (3) Making technical, nonsubstantive changes for style and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environment and Transportation, International and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and



purpose of H.B. No. 1807, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1807, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Energy and
Environment and Transportation,
International and
Intergovernmental Affairs,



J. KALANI ENGLISH, Chair



MIKE GABBARD, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

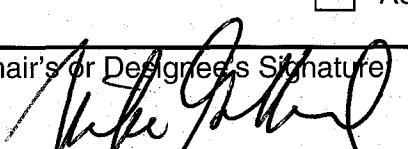
Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 1807 HD1</i>	<i>ENE/TIA, WAM</i>	<i>19 March 2009</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	/			
ENGLISH, J. Kalani (VC)	/			
GREEN, M.D., Josh				/
HOOSER, Gary L.	/			
IHARA, Jr., Les				/
KOKUBUN, Russell S.	/			
HEMMINGS, Fred				/
TOTAL	4			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>J. Kalani English</i>				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Transportation, International and Intergovernmental Affairs
TIA

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1807, HDI	ENE/TIA, WAM	3-19-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay *	Excused
ENGLISH, J. Kalani (C)	✓			
GABBARD, Mike (VC)	✓			
ESPERO, Will				✓
NISHIHARA, Clarence K.	✓			✓
SLOM, Sam				
TOTAL	3	-	-	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

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