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A BILL FOR AN ACT

RELATING TO THE OFFICE OF ENVIRONMENTAL QUALITY CONTROL.

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

1           SECTION 1. The legislature finds that the office of  
2 environmental quality control needs to upgrade and improve its  
3 technology infrastructure and fully staff its functions in order  
4 to fulfill its duty to ensure environmental protection in  
5 Hawaii.

6           The purposes of this Act are to:

- 7           (1) Establish the environmental review special fund;  
8           (2) Establish fees to enhance the activities of the office  
9           of environmental quality control;  
10          (3) Authorize the office to expend moneys out of the  
11          environmental review special fund;  
12          (4) Support and maintain technology systems for the office  
13          of environmental quality control;  
14          (5) Support outreach, training, education, and research  
15          regarding environmental stewardship; and  
16          (6) Provide for the hiring of adequate staff for the  
17          office.

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1 SECTION 2. Chapter 341, Hawaii Revised Statutes, is  
2 amended by adding three new sections to be appropriately  
3 designated and to read as follows:

4 "§341-A Environmental review special fund; use of funds.

5 (a) There is established in the state treasury the  
6 environmental review special fund, into which shall be  
7 deposited:

8 (1) All filing fees and other administrative fees  
9 collected by the office;

10 (2) Moneys collected pursuant to section 341-B;

11 (3) All accrued interest from the special fund; and

12 (4) Moneys appropriated to the special fund by the  
13 legislature.

14 (b) Moneys in the environmental review special fund shall  
15 be used to:

16 (1) Fund the activities of the office and the council in  
17 fulfillment of their duties pursuant to this chapter  
18 and chapter 343, including servicing of agency  
19 documents relating to the environmental review  
20 process, administrative support including staffing,  
21 and office expenses;

22 (2) Support technology, maintain technology systems, and  
23 develop technology training programs; and

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1        (3) Support outreach, training, education, and research  
2                    programs pursuant to section 341-4.

3        **§341-B Fees.**    (a) No later than June 30, 2016, the  
4        office, in consultation with the council, shall adopt rules  
5        pursuant to chapter 91 to establish fees necessary for the  
6        administration and management of the office and the council.

7            (b) The office shall collect fees from all applicants,  
8        including state and county agencies that are required to file  
9        environmental review documents with the office pursuant to  
10       chapter 343.

11          (c) The office shall waive the filing fees required by  
12       this section for an applicant who demonstrates that:

13           (1) The cost of the proposed action does not exceed  
14           \$500,000;

15           (2) The applicant's annual revenue does not exceed  
16           \$1,000,000; and

17           (3) The applicant has fewer than ten employees.

18        **§341-C Reporting.**    No later than twenty days prior to the  
19        convening of the regular session of each year, beginning with  
20        the regular session of 2014, the office shall submit a report to  
21        the legislature containing the following information for the  
22        previous calendar year:

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- 1        (1) The number and type of environmental review documents  
2        filed with the office, including the amount of the  
3        fees received for each document;
- 4        (2) For each environmental document filed with the office,  
5        whether the applicant is a county or state agency or a  
6        private entity; and
- 7        (3) The total amount of fees collected pursuant to section  
8        341-B and section 4 of Act \_\_\_\_\_, Session Laws of  
9        Hawaii 2013."

10        SECTION 3. Section 341-3, Hawaii Revised Statutes, is  
11 amended by amending subsection (a) to read as follows:

12        "(a) There is created an office of environmental quality  
13 control that shall be headed by a single executive to be known  
14 as the director of environmental quality control who shall be  
15 appointed by the governor as provided in section 26-34. This  
16 office shall implement this chapter and shall be placed within  
17 the department of health for administrative purposes. The office  
18 shall perform its duties under chapter 343 and shall serve the  
19 governor in an advisory capacity on all matters relating to  
20 environmental quality control. The director may appoint  
21 personnel exempt from chapters 76 and 89."

22        SECTION 4. The office of environmental quality control  
23 shall collect interim filing fees from all applicants, including

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1 state and county agencies that are required to file  
2 environmental review documents pursuant to chapter 343, Hawaii  
3 Revised Statutes. Until superseded by fees established pursuant  
4 to section 341-B, Hawaii Revised Statutes, in section 2 of this  
5 Act, or June 30, 2016, whichever is sooner, the interim filing  
6 fees shall be as follows:

- 7 (1) \$500 for a draft environmental assessment;
- 8 (2) \$300 for a final environmental assessment;
- 9 (3) \$200 for other significant addenda to a draft  
10 environmental assessment;
- 11 (4) \$200 for an environmental impact statement preparation  
12 notice;
- 13 (5) \$200 for a supplemental environmental impact statement  
14 preparation notice;
- 15 (6) \$500 for a draft environmental impact statement;
- 16 (7) \$300 for a final environmental impact statement;
- 17 (8) \$500 for a revised draft environmental impact  
18 statement;
- 19 (9) \$300 for a revised final environmental impact  
20 statement;
- 21 (10) \$500 for a supplemental draft environmental impact  
22 statement; and

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1 (11) \$300 for a supplemental final environmental impact  
2 statement.

3 SECTION 5. There is appropriated out of the environmental  
4 review special fund the sum of \$25,000.00, or as much thereof as  
5 may be necessary for fiscal years 2013-2014 to carry out the  
6 purposes of this Act; including the hiring of necessary staff.  
7 The sum appropriated shall be expended by the department of  
8 health.

9 SECTION 6. In codifying the new sections added to chapter  
10 341, Hawaii Revised Statutes, by section 2 of this Act, the  
11 revisor of statutes shall:

12 (1) Substitute appropriate section numbers for the letters  
13 used in designating the new sections in this Act; and

14 (2) Insert the corresponding act number of this Act.

15 SECTION 7. New statutory material is underscored.

16 SECTION 8. This Act, upon its approval, shall take effect  
17 on July 1, 2013; provided that the filing fees, including  
18 interim filing fees, established under this Act shall not take  
19 effect until thirty days after the date of enactment of this  
20 Act; provided further that any environmental studies filed with  
21 the office of environmental quality control prior to the  
22 enactment of this Act shall be exempt from the payment of any  
23 filing fees, including interim filing fees, under section 341-B,

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1 Hawaii Revised Statutes, established and assessed by section 2  
2 and section 4 of this Act, respectively, for one hundred eighty  
3 days from the date of the enactment of this Act.

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INTRODUCED BY:



BY REQUEST

JAN 22 2013

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**Report Title:**

Office of Environmental Quality Control; Fees; Special Fund

**Description:**

Establishes filing fees to help fund operations of the Office of Environmental Quality Control; creates a special fund and authorizes expenditures out of the special fund; and provides for a lag time for collection of fees.

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



JUSTIFICATION SHEET

DEPARTMENT: Health

TITLE: A BILL FOR AN ACT RELATING TO THE OFFICE OF ENVIRONMENTAL QUALITY CONTROL.

PURPOSE: The purpose of this bill is to establish a special fund and fees to assist in funding the activities of the Office of Environmental Quality Control (OEQC) and the Environmental Council; support, modernize and maintain technology systems; support outreach, training, education, and research; and provide for the hiring of adequate staff under chapter 343, Hawaii Revised Statutes.

MEANS: Add three new sections to chapter 341, Hawaii Revised Statutes (HRS), and amend subsection 341-3(a), HRS.

JUSTIFICATION: General fund appropriations have not kept pace with the expanding workload of the OEQC which has resulted in longer wait times for public and private projects. Operations are further hampered by an outdated information technology infrastructure.

The establishment of fees, rule-making authority, and a special fund will provide a revenue stream that roughly correlates with demand and creates enhanced flexibility to meet evolving needs as sensitivity to environmental impacts grows.

Impact on the public: The proposed fees will not have a direct impact on the public. The fees will apply only to proponents of development projects that require review under chapter 343, HRS, the Hawaii Environmental Policy Act (HEPA).

Impact on the department and other agencies: This measure will generate funds to support OEQC statutory functions. Information management will improve and the funds will

allow the OEQC to maintain its data-base system being requested in the OEQC's budget for the 2013-2014 fiscal year. State and county agencies will bear the cost for any agency project that requires review under chapter 343, HRS.

GENERAL FUND:

None.

OTHER FUNDS:

Based on recent averages, potential revenue of approximately \$100,000.

PPBS PROGRAM  
DESIGNATION:

HTH-850.

OTHER AFFECTED  
AGENCIES:

All state, county, and federal agencies.

EFFECTIVE DATE:

July 1, 2013.