

Honolulu, Hawaii
February 18, 2016

RE: H.B. No. 1852
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1852
entitled:

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

begs leave to report as follows:

The purpose of this measure is to enable eligible nonprofit
organizations to receive loans from the State's Water Pollution
Control Revolving Fund for the planning, designing, or
constructing of a wastewater treatment works.

The Department of the Attorney General and the Department of
Health commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that individual members of a nonprofit
corporation may be held responsible for the nonpayment
or default of a loan despite section 414D-85, Hawaii
Revised Statutes, which exempts members of a nonprofit
corporation from obligations of the corporation;
- (2) Requiring loans from the Water Pollution Control
Revolving Fund to a nonprofit organization to be made at
interest rates that are at or below market interest
rates;



- (3) Expanding the purposes of the Water Pollution Control Revolving Fund to include activities that are consistent with the Federal Water Pollution Control Act;
- (4) Requiring all loans to be fully amortized upon the expiration of the term of the loan;
- (5) Deleting the provision stating that loans provided to nonprofit organizations for designing, planning, or the construction of wastewater treatment works do not apply to the statutory section regarding conditions applicable to Water Pollution Control Revolving Fund projects;
- (6) Inserting an effective date of July 1, 2070, to facilitate further discussion; and
- (7) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1852, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1852, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DELLA AU BELATTI, Chair



