

STAND. COM. REP. NO. 2982

Honolulu, Hawaii

MAR 22 2016

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

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 1852, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to clarify that nonprofit organizations may receive loans from the water pollution control revolving fund to engage in activities that are consistent with the Federal Water Pollution Control Act, including the planning, designing, and construction of wastewater treatment works.

Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the areas of the State that are more likely to have cesspools would be greatly served by wastewater treatment works. While the State or counties may not place a priority on providing water pollution control facilities to areas with prominent cesspool usage, some residents of these areas are willing to work together to plan, design, and construct wastewater treatment works. However, wastewater treatment works can have significant costs, and because the Clean Water State Revolving Fund Loan Program, a federal-state partnership that assists in financing the construction of water pollution control projects, only provides loans to state and county agencies, interested groups of residents cannot access this funding



mechanism. This measure allows nonprofit organizations to be eligible to receive loans from the Clean Water State Revolving Fund Loan Program, providing a way for community members to plan, design, and construct wastewater treatment works in their areas.

Your Committee has amended this measure by:

- (1) Deleting language that would have established a new section in chapter 342D, Hawaii Revised Statutes, to allow the Director of Health to make and condition loans for nonprofit organizations for planning, designing, or constructing a wastewater treatment works, as federal law already permits nonprofit entities to receive financial assistance from the Clean Water State Revolving Fund for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;
- (2) Inserting language that, under certain conditions, allows the Director of Health to hold individual members of a nonprofit organization that receives a loan from the Clean Water State Revolving Fund Loan Program separately and jointly liable for the nonpayment or default of the loan; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



