



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**TESTIMONY in SUPPORT of S.B. 1111, S.D. 1
RELATING TO WATER INFRASTRUCTURE**

REP. DELLA AU BELATTI, CHAIR
REP. RICHARD P. CREAGAN, VICE CHAIR
COMMITTEE ON HEALTH

Hearing Date: March 20, 2015

Room Number: 329

- 1 **Fiscal Implications:** No General Funds Required
- 2 **Department Testimony:** The Department of Health strongly supports S.B. 1111, S.D. 1 which
3 would enable the transfer of funds between the Drinking Water Treatment Revolving Loan Fund
4 (also known as the Drinking Water State Revolving Fund [DWSRF]) and the Water Pollution
5 Control Revolving Fund (also known as the Clean Water State Revolving Fund [CWSRF]).
- 6 The Department currently administers these two (2) low interest loan programs for the
7 improvement of public drinking water systems and wastewater treatment and distribution
8 systems in Hawaii. These loan programs are funded principally by capitalization grants provided
9 by the U.S. Environmental Protection Agency (EPA). At the present time, these grants provide
10 approximately \$8 million per year to each program. This measure, which gives the Department
11 the authority to transfer up to 33% of any year's grant between the two programs, would allow
12 the Department to direct loan monies more efficiently towards the drinking water or wastewater
13 infrastructure needs across the State, resulting in the greatest benefit to public health or
14 environmental protection.
- 15 This measure will help ensure the continued and consistent award of these two (2) annual
16 capitalization grants. The EPA oversees the State's implementation of the DWSRF and the
17 CWSRF programs and can withhold or delay future capitalization grants whenever a program is
18 struggling to expeditiously disburse their funds. The ability to move funds between programs
19 and direct them towards projects that are ready to proceed will help facilitate timely
20 disbursements.
- 21 This measure would also bring the state program in line with the Code of Federal Regulations,
22 which already allows this transfer authority. The EPA is in support of this measure and views

- 1 this as a valuable tool to help ensure that Hawaii retains its full share of state revolving fund
- 2 capitalization grants.
- 3 Thank you for this opportunity to testify on this measure.

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843



March 20, 2015

KIRK CALDWELL, MAYOR

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THERESIA C. McMURDO
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ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

The Honorable Della Au Bellati, Chair
and Members
Committee on Health
House of Representatives
Hawaii State Capitol, Room 239
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair and Members:

Subject: Senate Bill 1111 SD1, Relating to Water Infrastructure

The Board of Water Supply, City and County of Honolulu (BWS) supports the intent of Senate Bill No. 1111 SD1, relating to water infrastructure.

The bill to establish the authority for the Department of Health to transfer federal capitalization funds between the Water Pollution Control Revolving Fund and the Drinking Water Treatment Revolving Loan Fund in accordance with the Federal Safe Drinking Water Act will ensure the funds are fully utilized for the benefit of State and Counties.

Thank you for your consideration of our testimony on Senate Bill 1111 SD1.

Very truly yours,

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer