
A BILL FOR AN ACT

RELATING TO WATER INFRASTRUCTURE.

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

1 SECTION 1. The legislature finds that the quality of the
2 environment and the economy of the State are both of utmost
3 importance to the welfare of the people of Hawaii. The
4 legislature, in concert with the United States Environmental
5 Protection Agency and the United States Congress, finds that
6 there is increasing demand for the replacement of aging
7 drinking water and wastewater system infrastructure in the
8 State, the delay of which could pose short-term and long-term
9 health hazards for consumers statewide.

10 The legislature further finds that the drinking water
11 treatment revolving loan fund and the water pollution control
12 revolving fund have been administered by the department of
13 health in ways that manage yearly capitalization grants
14 received from the United States Environmental Protection
15 Agency, but not to the maximum extent allowed under the Safe
16 Drinking Water Act (P.L. 93-523), preventing the construction
17 of health-protective infrastructure projects in Hawaii.



1 The legislature additionally finds that the incorporation
2 of capitalization grant transfer authority between the
3 drinking water treatment revolving loan fund and the water
4 pollution control revolving fund programs, as currently
5 allowed under title 40 Code of Federal Regulations section
6 35.3530(c), can greatly assist the two programs with
7 additional planning and priority setting; maximizing of the
8 two infrastructure funding programs by directing federal funds
9 where they are most needed; and ensuring that annual federal
10 capitalization grant moneys awarded to the two programs will
11 be disbursed as quickly as possible.

12 The restoration of Lahaina and other communities impacted
13 by wildfires or other natural disasters would benefit from the
14 ability to utilize the transfer authority between the programs
15 to replace or repair drinking water, wastewater, or stormwater
16 infrastructure.

17 Accordingly, the purpose of this Act is to authorize the
18 governor, or a state official acting pursuant to authorization
19 from the governor, to transfer federal capitalization grant
20 funds in accordance with federal law.



1 SECTION 2. Chapter 340E, Hawaii Revised Statutes, is
2 amended by adding a new section to part III to be
3 appropriately designated and to read as follows:

4 "§340E- Drinking water treatment revolving loan fund;
5 transfers. The governor, or a state official acting pursuant
6 to authorization from the governor, may transfer an amount up
7 to or equal to thirty-three per cent, calculated on the basis
8 of a fiscal year's drinking water treatment revolving loan
9 fund capitalization grant amount from the drinking water
10 treatment revolving loan fund to the water pollution control
11 revolving fund established under section 342D-83, or an
12 equivalent dollar amount from the water pollution control
13 revolving fund to the drinking water treatment revolving loan
14 fund established under section 340E-35. The following conditions
15 shall apply:

16 (1) When the State initially decides to transfer funds
17 pursuant to this section:

18 (A) The attorney general, or an individual designated
19 by the attorney general, shall sign or concur in
20 a certification for the drinking water treatment
21 revolving loan fund and water pollution control



1 revolving fund that state law permits the State to
2 transfer funds; and
3 (B) The operating agreements or other parts of the
4 capitalization grant agreements for the drinking
5 water treatment revolving loan fund and water
6 pollution control revolving fund shall be amended
7 to detail the method the State shall use to
8 transfer funds;
9 (2) The director shall not use the transfer provision to
10 acquire state match for either fund or use transferred
11 funds to secure or repay state match bonds;
12 (3) The director may reserve fund amounts for transfer in
13 future years pursuant to requirements under federal
14 law; and
15 (4) Funds may be transferred on a net basis between the
16 drinking water treatment revolving loan fund and
17 water pollution control revolving fund; provided
18 that the thirty-three per cent transfer allowance
19 associated with drinking water treatment revolving
20 loan fund capitalization grants received is not
21 exceeded."



1 SECTION 3. Chapter 342D, Hawaii Revised Statutes, is
2 amended by adding a new section to part V to be appropriately
3 designated and to read as follows:

4 "§342D- Water pollution control revolving fund;
5 transfers. The governor, or a state official acting pursuant
6 to authorization from the governor, may transfer an amount up
7 to or equal to thirty-three per cent, calculated on the basis
8 of a fiscal year's drinking water treatment revolving loan
9 fund capitalization grant amount, from the water pollution
10 control revolving fund to the drinking water treatment
11 revolving loan fund established under section 340E-35, or an
12 equivalent dollar amount from the drinking water treatment
13 revolving loan fund to the water pollution control revolving
14 fund established under section 342D-83. The following
15 conditions shall apply:

16 (1) When the State initially decides to transfer funds
17 pursuant to this section:

18 (A) The attorney general, or an individual designated
19 by the attorney general, shall sign or concur in a
20 certification for the drinking water treatment
21 revolving loan fund and water pollution control



1 revolving fund that state law permits the State to
2 transfer funds; and
3 (B) The operating agreements or other parts of the
4 capitalization grant agreements for the drinking
5 water treatment revolving loan fund and water
6 pollution control revolving fund shall be amended
7 to detail the method the State shall use to
8 transfer funds;
9 (2) The director shall not use the transfer provision to
10 acquire state match for either fund or use transferred
11 funds to secure or repay state match bonds;
12 (3) The director may reserve fund amounts for transfer in
13 future years pursuant to requirements under federal
14 law; and
15 (4) Funds may be transferred on a net basis between the
16 water pollution control revolving fund and drinking
17 water treatment revolving loan fund; provided that
18 the thirty-three per cent transfer allowance
19 associated with drinking water treatment revolving
20 loan fund capitalization grants received is not
21 exceeded."



- 1 SECTION 4. New statutory material is underscored.
- 2 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

Drinking Water Treatment Revolving Loan Fund; Water Pollution Control Revolving Fund; Transfers

Description:

Authorizes the Governor, or a state official with authorization from the Governor, to transfer federal capitalization grant funds between the Water Pollution Control Revolving Fund and the Drinking Water Treatment Revolving Loan Fund, in accordance with Title 40 Code of Federal Regulations section 35.3530(c). Takes effect 7/1/3000. (SD1)

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

