
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 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 United States Congress, finds that there
6 is increasing demand for the replacement of aging drinking water
7 and wastewater system infrastructure in the State, the delay of
8 which could pose short-term and long-term health hazards for
9 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 received
14 from the Environmental Protection Agency, but not to the maximum
15 extent allowed under the Safe Drinking Water Act, P.L. 93-523,
16 preventing the construction of health-protective infrastructure
17 projects in Hawaii.



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

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

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

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



1 revolving fund that state law permits the State
2 to 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 will use to
8 transfer funds;
9 (2) The governor 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 governor 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 water
17 pollution control revolving fund; provided that the
18 thirty-three per cent transfer allowance associated
19 with drinking water treatment revolving loan fund
20 capitalization grants received is not 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 to
6 an authorization from the governor, may transfer an amount up to
7 or equal to thirty-three per cent, calculated on the basis of a
8 fiscal year's drinking water treatment revolving fund
9 capitalization grant amount, from the water pollution control
10 revolving fund to the drinking water treatment revolving loan
11 fund established by section 340E-35, or an equivalent dollar
12 amount from the drinking water treatment revolving loan fund to
13 the water pollution control revolving fund established by
14 section 342D-83. The following conditions shall apply:

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

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



1 revolving fund that state law permits the State
2 to 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 will 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 the
18 thirty-three per cent transfer allowance associated
19 with drinking water treatment revolving loan fund
20 capitalization grants received is not exceeded."

21 SECTION 4. New statutory material is underscored.

1 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

DOH; 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).
Effective 7/1/3000. (HD1)

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

