STAND. COM. REP. NO. 1819

Honolulu, Hawaii

APR 1 3 2007

RE: S.R. No. 74

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.R. No. 74 entitled:

"SENATE RESOLUTION REQUESTING THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO DRAFT PROPOSED LEGISLATION TO CREATE AN OFFICE OF ENERGY,"

begs leave to report as follows:

The purpose of this measure is to have proposed legislation prepared by the Director of Business, Economic Development, and Tourism to establish an Office of Energy.

Your Committee amended the measure as a proposed S.D. 1, to request the United States Environmental Protection Agency and the State of Hawaii Department of Health to pursue a global settlement of outstanding wastewater issues with the City and County of Honolulu, and to urge the Environmental Protection Agency to renew the 301(h) waivers for the Honouliuli and Sand Island wastewater treatment plants.

Your Committee received testimony in support of the amended measure from the Mayor of the City and County of Honolulu along with letters of support for the City and County's position from U.S. Senator Daniel K. Inouye and Hawaii's Congressional delegation addressed to the U.S. Environmental Protection Agency; American Society of Civil Engineers; Coalition of Hawaii Engineering and Architectural Professionals; Hawaii Pacific Engineers, Inc.; Hawaii Water Environment Association; and two individuals.

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Your Committee finds that the City and County of Honolulu has committed to almost a billion dollars in sewer work over the past three years, to be funded by sewer fees that have already been increased to finance the force main work. Any mandate by the Environmental Protection Agency requiring immediate compliance for secondary sewage treatment could be unworkable and enormously expensive.

Your Committee has amended this measure to encourage the Environmental Protection Agency, the State Department of Health, and the City and County of Honolulu to:

- (1) Enter into a global settlement to address issues, including but not limited to recognizing the priorities of the City and County of Honolulu with respect to improvements to the wastewater system;
- (2) Establish a reasonable and workable timeframe for compliance with any applicable Environmental Protection Agency-approved settlement relating to the City and County of Honolulu's wastewater system; and
- (3) Identify potential federal and state sources of funds that could be used to supplement city and county funds in order to finance improvements implemented pursuant to an approved settlement.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 74, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 74, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Energy and Environment,

RON MENOR. Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Energy and Environment ENE

SR 74 Committee Referral: Date: 4/12/07				
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	V,			
HOOSER, Gary L. (VC)	V			
IHARA, Jr., Les				V,
KOKUBUN, Russell S.				
TRIMBLE, Gordon				
TOTAL	2			2
Recommendation: Adopted Not Adopted				
Chair's or Designe's Signature:				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes