#### HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

H.B. NO. 2993

#### A BILL FOR AN ACT

RELATING TO NONPOINT SOURCE POLLUTION.

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

SECTION 1. The legislature finds that in the 1970's, a
 lack of environmental regulation and enforcement led to the
 dumping of pollutants and hazardous materials by numerous
 entities and that some form of governmental oversight and
 enforcement was necessary to deter and prevent these threats to
 clean drinking water and habitats.

7 The legislature also finds that some four decades after the 8 enactment of historic environmental legislation and clean water 9 protections, the environmental movement has, in great part, 10 succeeded. Environmental protection has become part of the 11 popular culture, to the point where those who would be labeled 12 polluters four decades ago are today stewards of the 13 environment.

14 The legislature further finds that the adversity brought 15 about by the global economic downturn also provides an 16 opportunity to augment the practices of state government in such 17 a way as to create efficiencies and reduce costs while still



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1 meeting the goals of a particular policy. Such is the case with 2 the Department of Health's Clean Water Branch. 3 The Department of Health's Clean Water Branch is 4 responsible for regulating the federal Clean Water Act. More 5 specifically, the Clean Water Branch is responsible for 6 reviewing applications and granting permits for potential sites 7 of nonpoint source pollution, such as construction sites and 8 manufacturing/production facilities, auditing of those sites and 9 facilities, and enforcement of penalties on those that violate 10 the Clean Water Act's standards. Nevertheless, as is the case 11 in so many other areas of government, resources are limited, leading to irregular and inconsistent inspections, enforcement, 12 13 and overall, less than ideal environmental stewardship. 14 Part of the solution to limited resources for the provision

15 of government services is cooperation with the private sector. 16 Although self-monitoring may appear counter-intuitive, it is an 17 accepted course in many state functions, such as the many 18 professional groups that come under the umbrella of the 19 department of commerce and consumer protection. While the 20 establishment of regulations required by federal law might be 21 considered technically different from the adaptation of 22 professional standards to promote ethical conduct, the



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underlying principle of self-monitoring and cooperation between
 government and the private sector to the end of furtherance of a
 policy or cause is nothing new. The driving force behind the
 concept is the leveraging of all available resources with an
 agenda based in a sense of common purpose.

6 The legislature further finds that the benefits to 7 cooperation in this case are many. Cooperative self-monitoring 8 will also provide a mechanism by which real-time electronic transmission of data related to regulated sites and facilities 9 10 to regulatory authority can occur. This information will 11 include permit applications, best management practices and 12 related attachments associated with these applications, and site 13 and facility inspection results. Thus, regulatory agencies will 14 be more readily capable of addressing the constraints of limited 15 public resources while continuing to fulfill their role in the 16 common purpose of stewardship of the environment.

17 It stands to reason that if permit applications for 18 construction projects are reviewed in a more effective manner, 19 projects can be initiated or implemented faster, trades go to 20 work faster, salaries get paid faster, supplies get purchased 21 faster, and personal income and general excise taxes get paid



1 faster, leading to an increase in tax revenues in any given 2 fiscal year due to an increased number of projects underway. 3 The legislature also finds that cooperation with the 4 private sector with respect to self-monitoring is consistent 5 with long-standing U.S. Environmental Protection Agency (EPA) 6 policy. In Volume 51, Number 131, of the Federal Register dated 7 July 9, 1986, the EPA announced a final policy statement in 8 which it submitted that, "[E]nvironmental audits can improve 9 compliance by complementing conventional federal, state and 10 local oversight [. . .] Environmental auditing has developed for 11 sound business reasons, particularly as a means of helping 12 regulated entities manage pollution control affirmatively over 13 time instead of reacting to crises. Auditing can result in 14 improved facility environmental performance, help communicate 15 effective solutions to common environmental problems, focus 16 facility managers' attention on current and upcoming regulatory requirements, and generate protocols and checklists which help 17 18 facilities better manage themselves. Auditing also can result 19 in better-integrated management of environmental hazards, since 20 auditors frequently identify environmental liabilities which go 21 beyond regulatory compliance [. . .] EPA encourages regulated 22 entities to adopt sound environmental management practices to

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1 improve environmental performance [. . .] Audits can be
2 conducted effectively by independent internal or third party
3 auditors."

4 This policy is incorporated and supported in a 1997 EPA 5 document entitled "Voluntary Environmental Self-Policing and 6 Self-Disclosure Policy", where the EPA states, "One of the 7 Environmental Protection Agency's most important 8 responsibilities is obtaining compliance with federal laws that 9 protect public health and safeguard the environment. That goal 10 can be achieved only with the voluntary cooperation of thousands 11 of businesses and other regulated entities subject to these 12 requirements [. . .] the Agency recognizes that we cannot 13 achieve maximum compliance without the cooperation of a 14 regulated community willing to act responsibly by detecting, 15 disclosing, and correcting violations. Already, regulated 16 entities have many compelling incentives to implement 17 environmental management/auditing systems, as noted in EPA's 18 1986 auditing policy."

19 This policy was further updated and strengthened in Volume 20 65, Number 70, of the Federal Register dated April 11, 2000, 21 where the EPA issued a final policy statement in which it 22 proposed, among other things, that "[t]he purpose of the Policy



1 is to enhance protection of human health and the environment by 2 encouraging regulated entities to voluntarily discover, 3 disclose, correct and prevent violations of Federal 4 environmental law [. . .] The revised Policy reflects EPA's 5 continuing commitment to encouraging voluntary self-policing 6 while preserving fair and effective enforcement." 7 Therefore, it is the purpose of this Act to facilitate the 8 cooperation between the department of health and the private 9 sector in order to further promote the purposes of the Clean 10 Water Act while providing a better business environment. 11 SECTION 2. Chapter 342E, Hawaii Revised Statutes, is 12 amended by adding a new part to be appropriately designated and 13 to read as follows: 14 **"PART** 15 HAWAII TASK FORCE FOR THE MODERNIZATION OF 16 CLEAN WATER ACT COMPLIANCE 17 "§342E-A Hawaii Task Force for the Modernization of Clean 18 Water Act Compliance; purpose. (a) There shall be a 19 voluntary cooperative program within the department known as the 20 Hawaii Task Force for the Modernization of Clean Water Act 21 Compliance. The purpose of the Hawaii Task Force for the 22 Modernization of Clean Water Act Compliance shall be to manage HB HMIA 56-2010.doc 

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1	<u>or mitigate no</u>	npoint source pollution and maintaining compliance
2	with adopted d	epartment rules or standards for nonpoint source
3	pollution mana	gement through the use of public-private
4	partnerships t	o supplement and augment the public purposes of
5	this chapter w	ith private resources.
6	<u>§342-в</u>	Membership. (a) The membership of the Hawaii
7	Task Force for	the Modernization of Clean Water Act Compliance
8	shall consist	of eleven members, which shall include the
9	following:	
10	(1)	A representative from the U.S. Environmental
11		Protection Agency;
12	(2)	The director of the department, or his designee;
13	<u>(3)</u>	The director of the department of transportation,
14		<u>or his designee</u>
15	(4)	A representative from a county agency responsible
16	· .	for environmental regulation;
17	<u>(5)</u>	A representative from a county agency responsible
18		for transportation management, provided that this
19		representative shall not be from the same county
20		as the representative from a county agency
21		responsible for environmental regulation;



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1	(6)	A member of the house of representatives, as
2		selected by the speaker of the house of
3		representatives;
4	(7)	A member of the senate, as selected by the senate
5		president;
6	(8)	Four persons who have volunteered to be regulated
7		through the Hawaii Task Force for the
8		Modernization of Clean Water Act Compliance, as
9		selected by the persons regulated through the
10		Hawaii Task Force for the Modernization of Clean
11		Water Act Compliance.
12	(b) The	members of the task force shall serve six-year
13	staggered term	s; provided that the initial appointments shall be
14	as follows:	
15	(1)	The representative from a county agency
16		responsible for transportation management to be
17		appointed for three years;
18	(2)	Two members of the persons who have volunteered
19		to be regulated through the Hawaii Task Force for
20		the Modernization of Clean Water Act Compliance
21		to be appointed for three years;



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1	(3) The representative from a county agency
2	responsible for transportation management to be
3	appointed for four years;
4	(c) The members of the task force shall select a
5	chairperson and vice chairperson from among its members. Six
6	members shall constitute a quorum, whose affirmative vote shall
7	be necessary for all actions taken by the board. Members shall
8	receive no compensation for services, but shall be entitled to
9	necessary expenses, including travel expenses, incurred in the
10	performance of their duties.
11	§342-C Functions, powers and duties.
12	(a) The Hawaii Task Force for the Modernization of Clean
13	Water Act Compliance shall be responsible for the promulgation
14	of standards, rules, and procedures for managing or mitigating
15	nonpoint source pollution or maintaining compliance with adopted
16	department rules or standards for nonpoint source pollution
17	management that are at least equal to those promulgated by the
18	department. These standards, rules, and procedures shall be
19	promulgated to maximize the use of public-private partnerships
20	to supplement and augment the public purposes of this chapter
21	with private resources to create greater efficiencies in
22	effecting the public purposes of this chapter, including:

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1	(1)	uniform auditing and enforcement protocols and
2		standards, including uniform training of auditors
3		and field agents;
4	(2)	use of third-party agents to audit sites of
5		possible nonpoint source pollution; and
6	<u>(3)</u>	data collection and transmission features that
7		assist the department in meeting any state or
8		federal reporting guidelines with respect to
9		nonpoint source pollution, and access rights to
10	1	the data.
11	<u>(b)</u> The	task force may establish a fee to persons who opt
12	to be regulate	d by the Hawaii Task Force for the Modernization
13	of Clean Water	Act Compliance. All fees shall be used for the
14	purposes of th	e Hawaii Task Force for the Modernization of Clean
15	Water Act Comp	liance, as determined by the task force. Matters
16	relating to th	e initial setting of the fee amount, increases or
17	decreases in t	he fee amount, or uses of fees, shall require the
18	consent of at	least a two-thirds vote of the members the task
19	<u>force is entit</u>	led to.
20	SECTION 3	. Section 342E, Hawaii Revised Statutes, is
21	amended by add	ing a new definition to be appropriately inserted
22	and to read as	follows:



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1	""Cooperative program" means a partnership between a person	
2	and the department that furthers the priorities, mission, and	
3	duties of the nonpoint source pollution management and control	
4	program, or its successor, through the use of private	
5	resources."	
6	SECTION 4. Section 342E-3, Hawaii Revised Statutes, is	
7	amended by amending subsection (a) to read as follows:	
8	"[§342E-3] Powers and duties of the director. (a) In	
9	addition to any other power or duty prescribed by law, the	
10	director shall:	
11	(1) Reduce, control, and mitigate nonpoint source	
12	pollution in the State;	
13	(2) Adopt rules under chapter 91 necessary for the	
<b>14</b>	purposes of this chapter, which may include water	
15	quality standards for specific areas, types of	
16	nonpoint source pollution discharges, or management	
17	measures in the control of water pollution, allowing	
18	for varying local conditions;	
19	(3) Develop plans, recommendations, and policies, and	
20	provide other support to further the State's capacity	
21	to carry out the requirements of any federal law,	



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1		rule, or regulation pertinent to the management or
2		mitigation of nonpoint source pollution;
3	(4)	Work cooperatively with other state, county, and
4		federal agencies, to facilitate the monitoring of and
5		update the list of waters in the State that cannot
6	•	reasonably be expected to attain or maintain state
7		water quality standards and goals established under
8		the federal Water Quality Act of 1987 (P.L. 100-4)
9		without additional action to control nonpoint source
10		pollution;
11	(5)	Identify those categories of nonpoint sources that add
12		significant pollution to the state waters identified
13	,	under paragraph (4);
14	(6)	Facilitate implementation of the best management
15		practices, programs, and measures to control each
16		category of nonpoint source pollution identified under
17		paragraph (5), and encourage nonpoint source pollution
18		mitigation practices including, but not limited to,
19		the use of non-hazardous substances in the household
20		and agroforestry management and the use of cooperative
21		programs to further the purposes of this chapter;



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1	(7)	Identify public and private sources of expertise,
2		technical assistance, financial assistance,
3		educational assistance, training, and technology
4		transfer;
5	(8)	Convene statewide and regional public forums involving
6		the general public, the regulatory community, and
7		businesses and industries that may contribute to
8		categories of nonpoint source pollution for the
9		purpose of establishing plans, and developing
10		management strategies and other mitigation measures to
11		control and manage nonpoint source pollution;
12	(9)	Provide funding for projects to demonstrate the best
13		available technology and best management practices for
14		preventing and mitigating nonpoint source pollution;
15	(10)	Provide funding for public initiative projects to
16		encourage education and prevention measures relating
17		to nonpoint source pollution;
18	(11)	Propose legislation, alternate funding mechanisms, and
19		new programs to improve the State's capacity to
20		mitigate nonpoint source pollution; and
21	(12)	Review environmental assessments and environmental
22		impact statements as defined under section 343-2 for

1	the purposes of commenting on the effects that a
2	proposed action would have on the level of nonpoint
3	source pollution generated in an area."
4	SECTION 5. New statutory material is underscored.
5	SECTION 6. This Act shall take effect upon its approval.
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	INTRODUCED BY:

JAN 27 2010



Report Title:

Nonpoint source pollution

#### Description:

Facilitates cooperation between the public and private sector to further the purposes of the Clean Water Act.

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

