STAND. COM. REP. NO. 2982

Honolulu, Hawaii

MAR 2 2 2016

RE: H.B. No. 1852 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred H.B. No. 1852, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WATER POLLUTION,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that nonprofit organizations may receive loans from the water pollution control revolving fund to engage in activities that are consistent with the Federal Water Pollution Control Act, including the planning, designing, and construction of wastewater treatment works.

Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the areas of the State that are more likely to have cesspools would be greatly served by wastewater treatment works. While the State or counties may not place a priority on providing water pollution control facilities to areas with prominent cesspool usage, some residents of these areas are willing to work together to plan, design, and construct wastewater treatment works. However, wastewater treatment works can have significant costs, and because the Clean Water State Revolving Fund Loan Program, a federal-state partnership that assists in financing the construction of water pollution control projects, only provides loans to state and county agencies, interested groups of residents cannot access this funding



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mechanism. This measure allows nonprofit organizations to be eligible to receive loans from the Clean Water State Revolving Fund Loan Program, providing a way for community members to plan, design, and construct wastewater treatment works in their areas.

Your Committee has amended this measure by:

- (1) Deleting language that would have established a new section in chapter 342D, Hawaii Revised Statutes, to allow the Director of Health to make and condition loans for nonprofit organizations for planning, designing, or constructing a wastewater treatment works, as federal law already permits nonprofit entities to receive financial assistance from the Clean Water State Revolving Fund for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;
- (2) Inserting language that, under certain conditions, allows the Director of Health to hold individual members of a nonprofit organization that receives a loan from the Clean Water State Revolving Fund Loan Program separately and jointly liable for the nonpayment or default of the loan; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1852, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1852, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

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Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Health,

Cosaly H Baker, Chair

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The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral: Date:				
HB 1852, HD 1	CPH, WAM			3-17-16	
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
BAKER, Rosalyn H. (C)					
KIDANI, Michelle N. (VC)					
ESPERO, Will		/			
IHARA, Jr., Les					
NISHIHARA, Clarence K.					
RUDERMAN, Russell E.		\langle			
SLOM, Sam					
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TOTAL		5			2
Recommendation:					
Chair's or Designee's Signature:					
Michille A. Kidani					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes