
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 Environmental Protection Agency, but not to
15 the maximum extent allowed under the Safe Drinking Water Act
16 (Pub. L. 93-523), preventing the construction of health-
17 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 SECTION 2. Chapter 340E, Hawaii Revised Statutes, is
18 amended by adding to part III a new section to be
19 appropriately designated and to read as follows:

20 "§340E- Drinking water treatment revolving loan fund;
21 transfers. The director may transfer up to thirty-three per



1 cent of a fiscal year's drinking water treatment revolving
2 loan fund capitalization grant amount to the water pollution
3 control revolving fund established under section 342D-83, or
4 an equivalent dollar amount from the water pollution control
5 revolving fund to the drinking water treatment revolving loan
6 fund established under section 340E-35. The following conditions
7 shall apply:

- 8 (1) Each year in which the director transfers funds
9 pursuant to this section:
- 10 (A) The attorney general, or attorney general's
11 designee, shall certify in writing that state law
12 permits the director to transfer funds between the
13 drinking water treatment revolving loan fund and
14 water pollution control revolving fund; and
- 15 (B) The director shall amend the operating agreements
16 or other parts of the capitalization grant
17 agreements for the drinking water treatment
18 revolving loan fund and water pollution control
19 revolving fund to document the method used to
20 transfer funds;



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

14 SECTION 3. Chapter 342D, Hawaii Revised Statutes, is

15 amended by adding to part V a new section to be appropriately

16 designated and to read as follows:

17 "§342D- Water pollution control revolving fund;

18 transfers. The director may transfer up to thirty-three per

19 cent of a fiscal year's water pollution control revolving fund

20 capitalization grant amount to the drinking water treatment

21 revolving loan fund established under section 340E-35, or an



1 equivalent dollar amount from the drinking water treatment
2 revolving loan fund to the water pollution control revolving
3 fund, established under section 342D-83. The following
4 conditions shall apply:

5 (1) Each year in which the director transfers funds
6 pursuant to this section:

7 (A) The attorney general, or attorney general's
8 designee, shall certify in writing that state law
9 permits the director to transfer funds between the
10 drinking water treatment revolving loan fund and
11 water pollution control revolving fund; and

12 (B) The director shall amend the operating agreements
13 or other parts of the capitalization grant
14 agreements for the drinking water treatment
15 revolving loan fund and water pollution control
16 revolving fund to document the method used to
17 transfer funds;

18 (2) The director shall not use the transfer provision to
19 acquire state match for either fund or use transferred
20 funds to secure or repay state match bonds;



- 1 (3) The director may reserve fund amounts for transfer in
- 2 future years pursuant to requirements under federal
- 3 law; and
- 4 (4) Funds may be transferred on a net basis between the
- 5 water pollution control revolving fund and drinking
- 6 water treatment revolving loan fund; provided that
- 7 the thirty-three per cent transfer allowance
- 8 associated with water pollution control revolving
- 9 fund capitalization grants received is not exceeded."

10 SECTION 4. New statutory material is underscored.

11 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 Director of Health 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.

