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Water Resources Research Center

February 9, 2009

The Honorable Calvin K.Y. Say, Chair
and Members of the Committees
State House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Say and Members:

**Subject: House Bill No. 834
Related to State Water Quality Standards**

I fully support House Bill No. 834, which proposes revisions to the Department of Health Hawaii Administrative Rules, Title 11, Chapter 54, Water Quality Standards.

The Water Resources Research Center has participated for some 25 years in studies monitoring the ocean bottom near the outfalls. Our researchers have always concluded that a "balanced indigenous population" of marine organisms continues to thrive in these areas, as required by the Environmental Protection Agency.

As an economist, I would note that the existing state standards are unnecessarily stringent, apparently having been set in full and laudable recognition of environmental benefits but without corresponding attention to environmental and economic costs.

In terms of environmental or economic costs and benefits, the recent EPA denial of 301(h) waivers for the Sand Island and Honouliuli plants violates any and all investment criteria known to economics. The scientific results make it clear that little or no benefit would result from the massive cost required for higher levels of wastewater treatment at these plants.

There are truly beneficial alternative uses of scarce public funds for wastewater collection and treatment.

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Page 2

I urge you in the strongest terms to pass HB 834, for the benefit of our environment as well as taxpayers and wastewater ratepayers.

Thank you for the opportunity to testify.

Sincerely,

**James E.T. Moncur
Director, Water Resources Research Center
Professor of Economics**