

JOBIE M. K. MASAGATANI CHAIRMAN HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG DEPUTY TO THE CHAIRMAN

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS &
COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS
IN SUPPORT OF

HB 866 HD 2, relating to sewer systems servicing on Hawaiian home Lands

February 7, 2014

Chair Shimabukuro, Chair Espero, and Members of the Committees:

The Department of Hawaiian Home Lands (DHHL) supports HB 866 HD 2, which clarifies and confirms the counties' ownership of and responsibility for certain existing sewer systems servicing Hawaiian Home Lands. This bill was part of the Governor's 2013 administrative package by request of our department.

Historically, the counties have accepted the sewer infrastructure and performed the necessary repairs and maintenance of the systems.

Recently, certain counties have either not accepted portions of the infrastructure or have not performed needed repair and maintenance for the sewers. Since operating and maintaining sewer systems is a county function, the counties should continue to accept the sewer infrastructure and perform the required repair and maintenance of these systems. These costs rise with the age of these sewer systems, and systems like the one that services the Papakolea homestead were built as early as the 1930s.

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This bill ensures the sufficient and consistent operation, improvement, maintenance, and repair of sewer systems servicing Hawaiian Home Lands. If this measure is enacted into law, the Department of Hawaiian Home Lands would then be better able to focus our effort at developing new homesteads for our beneficiaries still on the wait lists. That said, since introduction of this measure, dialogues between the State and the City and County of Honolulu have continued to clarify this issue.

Mahalo for the opportunity to testify on this measure.

HAWAIIAN AFFAIRS CAUCUS

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February 7, 2014

LEGISLATIVE TESTIMONY IN **SUPPORT** OF

HB866, HD2, Relating to Sewer Systems Servicing on Hawaiian Home Lands Hearing, Friday, February 7, 2014, 2:45 p.m., Room 224

Senator Maile S. L. Shimabukuro, Chair Senator Clayton Hee, Vice Chair Members, Committee on Hawaiian Affairs

Senator Will Espero, Chair Senator Rosalyn H. Baker, Vice Chair Members, Committee on Public Safety, Intergovernmental and Military Affairs

Aloha mai, kākou

The Hawaiian Affairs Caucus of the Democratic Party of Hawai'i <u>strongly supports</u> HB866, HD2 that clarifies counties' ownership of and responsibility for certain existing sewer systems and facilities serving Hawaiian Home Lands.

According to the Department of Hawaiian Home Lands, historically, the counties have accepted the sewer infrastructure and performed the necessary repairs and maintenance of the systems. However, recently, certain counties have either not accepted portions of the infrastructure or have not performed needed repair and maintenance for the sewers.

The City and County of Honolulu, Dept of Environmental Services, in their testimony, acknowledges that it has been collecting City sewer service charges from lessees of Hawaiian Home Lands, but that such service charges pay only for the operation and maintenance of the City-owned sewer lines that transmit wastewater to the City's wastewater treatment plants and for the treatment and disposal of that wastewater. First, the City has indicated that it owns no sewer lines on Hawaiian Home Lands and suggests that such ownership would not be constitutional. Second, that sewer service charges are indeed being collected from lessees of Hawaiian Home Lands, but do not include or contemplate the costs to "operate, improve, repair, maintain and replace" the existing sewer systems serving Hawaiian Home Lands on O'ahu. Clearly, homesteaders paying service charges believe that their fees cover the cost of servicing and maintaining their sewer lines; they do not distinguish that their fees are only for treatment and disposal of wastewater.

Operating and maintaining sewer systems is a county function. The counties should continue to accept the sewer infrastructure and perform the required repair and maintenance for the sewers on Hawaiian Home Lands. Please support HB866, SD2.

Respectfully

LEIMOMI KHAN, Co-Chair, Legislative Committee