



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony in SUPPORT of HB489
RELATING TO CESSPOOLS**



REPRESENTATIVE TOM BROWER, CHAIR
HOUSE COMMITTEE ON HOUSING


Hearing Date: February 9, 2017
Time: 9:00 am

Room Number: 423

- 1 **Fiscal Implications:** None.
- 2 **Department Testimony:** The Department supports this measure. The existence of a cesspool and
- 3 certain Federal and State requirements for cesspools should be disclosed to buyers prior to the sale
- 4 or transfer of property in some circumstances.
- 5 The Department often receives phone calls from new property owners complaining that they were
- 6 not aware that they had to upgrade their cesspool as a result of current Federal and State
- 7 regulations. The Department also receives numerous complaints that properties with failing
- 8 cesspools under formal enforcement action were sold without any disclosure to the new property
- 9 owners.
- 10 Thank you for the opportunity to testify on this measure.



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February 9, 2017

The Honorable Tom Brower, Chair
House Committee on Housing
State Capitol, Room 423
Honolulu, Hawaii 96813

RE: H.B. 489, Relating to Cesspools

HEARING: Thursday, February 9, 2017, at 9:00 a.m.

Aloha Chair Brower, Vice Chair Nakamura, and Members of the Committee.

I am Myoung Oh, Director of Government Affairs, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 9,000 members. HAR **opposes** H.B. 489 which require the Department of Health to develop guidelines for the mandatory disclosure of cesspools on real property.

HAR's industry practice is to create forms that exceed what is called for via laws, rules and regulations. HAR's 5-page Seller's Real Property Disclosure Statement ("SRPDS") is a comprehensive form that asks questions on various items that could be a material fact inasmuch as it measurably affects the value of the property. As part of those questions, our SRPDS already includes multiple questions related to wastewater or sewer systems of the subject property.

HAR believes that H.B. 489 is unnecessary. HAR would be available to work with the Department of Health should there be specific items that they would like included in the form.

Mahalo for the opportunity to testify.



- YES NO NTMK NA
- 33) [] [] [] [] Is the Property subject to a Homeowners' and/or Community Association or any other Association?
- 33a) [] [] [] [] (a) Is membership mandatory?
- 33b) _____ (b) If yes, what are the fees and payments? _____
- 33c) _____ (c) What is included in the fees and payments? _____
- 33d) [] [] [] [] (d) Are you aware of future maintenance fee increases, special assessments, association loans or pending litigation for or against your Association(s)?

IF ANY OF THE ABOVE ARE CHECKED YES, NOTE: If the Property is subject to a recorded Declaration, Seller is subject to mandatory disclosure obligations pursuant to Hawaii Revised Statutes Chapter 508D as amended. To the best of Seller's knowledge, Seller shall provide the documents and any amendments or supplements within the deadlines set forth in the Purchase Contract.



C. UTILITIES AND SERVICES: Complete and describe problems, if any, in Section G.

- 34) What is your source of water supply?
 a) [] Public [] Private
 Is this Property separately metered? [] Yes [] No
 Is this a sub-meter? [] Yes [] No
 Is there a shared water supply? [] Yes [] No
 b) [] Catchment: Tank type _____ Capacity _____ Age _____ Condition _____
 c) [] Other _____
- 35) What type of waste water/sewage system do you have?
 a) [] Public Sewer [] Private Sewer Connected? [] Yes [] No
 If not, is connection currently required? [] Yes [] No
 Is there a separate sewer fee? [] Yes [] No Amount of current sewer fee _____
 b) [] Cesspool [] Septic System [] Individual Sewage Treatment Plant Location _____
 Last Pumped _____ How Often? _____
 c) [] Abandoned septic or cesspool Location _____ Filled? [] Yes [] No [] NTMK
 d) Does the cesspool serve more than one dwelling or living unit (A "dwelling" or, "living unit" is defined as having its own kitchen/food preparation area, bathroom and sleeping/living area), including "ohana" units? [] Yes [] No
- 36) What is your source of electrical power?
 [] Public [] Photo Voltaic [] Other: _____
 a) Is the Property subject to Special Subdivision Project Provision (SSPP) connection fees? [] Yes [] No
 b) Hawaii law requires Sellers who pay their electricity bills directly to make a good faith declaration of electricity costs based upon the most recent three-month period that the property was occupied. In this context, please answer the following:
 Do you pay your electrical utility bill directly? [] Yes [] No
 If yes, please state the amount you paid for electricity for the most recent three-month period that the property was occupied.
 Mon/Yr: _____ Amount: _____ Mon/Yr: _____ Amount _____ Mon/Yr: _____ Amount: _____
 Buyer's actual electricity costs may vary substantially.
 c) If Seller's interest in a photovoltaic system is included in the sale, please answer the following and attach ALL applicable documentation (i.e. leases/finance agreements, service/maintenance agreements, utility agreements net metering / buyback and/or credit agreements, user manuals, battery maintenance and warranties)
 Is the system [] Leased [] Financed [] Owned outright [] Other _____
- 37) If a Solar Hot Water System is included with the sale, please answer the following and attach ALL applicable documentation (i.e. lease/financing agreement, service/maintenance agreements, user manuals).
 Is the system [] Leased [] Financed [] Owned outright
- 38) If a Security Alarm and/or Home Automation System is included with the sale, please answer the following and attach ALL applicable documentation (i.e. lease/financing agreement, service/maintenance agreements, user manuals).
 Is the system [] Leased [] Financed [] Owned outright
- 39) Gas: [] Piped [] Tank [] None
- 40) Telephone Service: [] Traditional [] Party line only [] Cable [] Cell [] Satellite
- 41) Television Service: [] Cable [] Satellite [] Antenna [] Not available
- 42) Broadband Internet [] DSL [] Cable [] None [] Other
- 43) US Postal Delivery: [] PO Box [] Community Box [] Individual Curbside Box [] To Door

[] D. IMPROVEMENTS: Do any of the following conditions exist? If "yes", use the same number and describe in Section G.

- YES NO NTMK NA
- 44) [] [] [] [] Were any improvements, additions, structural modifications or alterations built without building permits, association design committee or other governmental approvals?
- 45) [] [] [] [] For any improvement(s) subject to a mechanic's and materialman's lien, has Notice of Completion been published?
- 45a) _____ (a) Date of publication _____ Unknown
- 46) [] [] [] [] Were any of the building permits not finalized (closed) by the permitting agency?

 BUYER'S INITIALS & DATE

 SELLER'S INITIALS & DATE