

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony COMMENTING on HB2540 HD2
RELATING TO CESSPOOLS**

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: February 23, 2018
Time: 2:00 pm

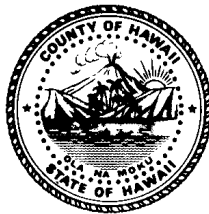
Room Number: 308

1 **Fiscal Implications:** None.

2 **Department Testimony:** The Department of Health (Department) would like to provide
3 comments regarding this measure. The Department is open to consideration of various financial
4 means to assist homeowners upgrading cesspools. The Department has attempted to coordinate
5 with the county wastewater departments to establish low interest loan programs to assist with the
6 upgrade or conversion of cesspools. The Department's Clean Water State Revolving Fund
7 (CWSRF) Program has the authority to provide counties with the funds to establish a loan
8 program for private borrowers to upgrade cesspools. In the past, the Department has approached
9 the counties, but they felt that it was not currently feasible since they did not have the resources
10 to run a separate loan program for private borrowers. The Department's CWSRF Program also
11 does not have sufficient funds or manpower to support such a program that will provide low-
12 interest loans to private borrowers. The Department will continue to work with the counties in
13 exploring this and other mechanisms for the upgrading of cesspools.

14 Thank you for the opportunity to testify on this measure.

County of Hawai'i
Council District 9 -
North and South Kohala



Phone: (808) 961-8564
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Email: tim.richards@hawaiicounty.gov

Chair: Committee on Agriculture,
Water & Energy

Vice Chair: Committee on
Environmental Management

HERBERT M. "TIM" RICHARDS, III
HAWAI'I COUNTY COUNCIL

District 9

25 Aupuni Street, Ste. 1402, Hilo, Hawai'i 96720

February 22, 2018

House Committee on Finance
Honorable Representative Sylvia Luke, Chair
Honorable Representative Ty J.K. Cullen, Vice Chair

Email: repluke@capitol.hawaii.gov

Email: repcullen@capitol.hawaii.gov

RE: Support of HB2540 HD2
Hearing Date/Time: February 23, 2018 at 2:00 p.m.

Dear House Representatives:

Thank you for the opportunity to submit **testimony in STRONG SUPPORT of HB2540 HD2**, which authorizes the Department of Health to coordinate with each county water department to establish low interest loan programs for the upgrade or conversion of cesspools in each county to septic systems, aerobic treatment unit systems, for connection to an existing sewer system, or other wastewater treatment system approved by the Department of Health.

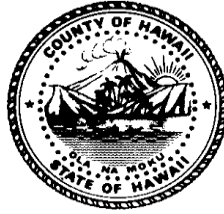
The passing of and the implementation of this bill is important to our island communities in providing an affordable option to Hawai'i homeowners to convert their cesspool system to one that will prevent further contamination of our most precious resource – water. I therefore strongly urge the enactment of HB2540 HD2.

Please feel free to contact me should you need to discuss my position and knowledge of this matter further.

Sincerely,

TIM RICHARDS
Hawai'i County Council, District 9

Eileen O'Hara
Council Member
Council District 4



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Chair: Environmental
Management Committee

Vice Chair: Planning Committee and
Agriculture, Water & Energy
Sustainability Committee

County of Hawaii
Hawaii County Council

25 Aupuni Street, Suite 1402 • Hilo, Hawai'i 96720

Representative Sylvia Luke
Chair, House Committee on Finance
Hawai'i State House of Representatives

February 21, 2018

**Re: In Support of House Bill 2540, from Hawai'i County Council District 4.
To be heard by FIN on 02-23-18 12:00PM in House conference room 308**

Aloha Chair Luke and Committee Members:

I'm writing to express my support for House Bill 2540, which requires the Department of Health to coordinate with each county water department to establish a low interest loan program for the upgrade or conversion of cesspools in each county to aerobic treatment unit systems.

Hawai'i's stream, ocean, and ground waters are being polluted by outdated cesspools. Since water is such an essential resource used for so many aspects of life, when it is no longer safe, the resulting problems span far and wide. Not having clean drinking water forces people to spend time and money hauling or buying safe water. Additionally, polluted ocean water will have a negative impact on our marine life and fishing. Finally, polluted swimming areas (sometimes very close to cesspools, like the Wai'opae Tidepools in my District of Puna) will eventually turn away tourists and the money they bring to the state. Quality of life suffers for all when water is not clean.

The high cost of installing an aerobic treatment unit at a residence can keep a homeowner from upgrading their cesspool to stop the propagation of these water pollution issues. Please consider the positive impact this Bill will have on our environment, health, and economy, and contact me if you have any questions about my support or knowledge of the subject.

Sincerely,

Eileen O'Hara
Council Member
Council District 4

DEPARTMENT OF ENVIRONMENTAL SERVICES
CITY AND COUNTY OF HONOLULU

1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707
TELEPHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: <http://envhonolulu.org>

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MAYOR



LORI M.K. KAHIKINA, P.E.
DIRECTOR

TIMOTHY A. HOUGHTON
DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.
DEPUTY DIRECTOR

IN REPLY REFER TO:
WAS 18-36

February 21, 2018

The Honorable Sylvia Luke, Chair
and Members of the Committee on Finance
House of Representatives
State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

Subject: House Bill 2540 HD1, Relating to Cesspools

The City and County of Honolulu's (City) Department of Environmental Services supports the long term conversion of cesspools to other waste disposal options. However, we have the following concerns with HB 2540 HD1:

1. It is not clear what "on-bill financing" in Section 2 refers to and such language should be clarified.
2. Section 3(12) should be removed if it intends for the Counties to have and operate a loan program.

While the cesspool remediation and conversion loan program may have benefits to property owners desiring to convert from their cesspools, we are unclear of the need for involvement of County water and sewer agencies in the loan program. We appreciate the HD1 change removing limiting the program to only aerobic treatment unit systems. We do have concerns that proceeding in a piecemeal replacement fashion may not generate the best overall solution for the environment and community.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori M.K. Kahikina", is written over a printed name and title.

Lori M.K. Kahikina, P.E.
Director

HB-2540-HD-2

Submitted on: 2/22/2018 1:34:13 PM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

**PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES**

DEMOCRATIC PARTY OF HAWAII'

TO THE COMMITTEE ON FINANCE

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, February 23, 2018

2:00 p.m.

Hawaii State Capitol, Conference Room 308

RE: Testimony in Support of HB 2540 HD2 RELATING TO CESSPOOLS

To the Honorable Sylvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice-Chair, and Members of the Committee on Finance:

Good afternoon. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 2540 HD2 relating to the cesspools; upgrade and conversion; and low interest loan program.

The OCC Legislative Priorities Committee is in favor of House Bill No. 2540 HD2 and supports its passage as it authorizes the Department of Health to coordinate with each county water department to establish a low interest loan program for the upgrade or conversion of cesspools in each county to septic systems, aerobic treatment unit systems, for connection to an existing sewer system, or other wastewater treatment system approved by the Department.

House Bill No. 2540 HD2 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH") which provides that "[w]e support the protection of our 'aina against destruction by corporate, government, or military usage and expect full restoration and reparation of environmental damage. To handle current and future demands for water, we must assess the current condition of our aquifers and take appropriate actions to secure our fresh water resources.

We support democratic participation of citizens and residents to protect (i) valuable coastal ecosystems and reefs from misuse and (ii) beaches for public use and recreation. The Hawai'i Coastal Zone Management (CZM) law, HRS Chapter 205A, currently provides for public participation in management of coastal resources.

We believe in the vigorous enforcement of our environmental laws and increased public-private stewardships and citizen involvement in protecting our resources. (Platform of the DPH, P.8, Lines 422-433 (2016)).

Given that House Bill No. 2540 HD2 authorizes the Department of Health to coordinate with each county water department to establish a low interest loan program for the upgrade or conversion of cesspools in each county to septic systems, aerobic treatment unit systems, for connection to an existing sewer system, or other wastewater treatment system approved by the Department, it is the position of the OCC Legislative Priorities Committee to strongly support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Tel.: (808) 258-8889

HB-2540-HD-2

Submitted on: 2/21/2018 12:29:12 PM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jacqui Hoover	Hawaii Leeward Planning Conference	Support	No

Comments:

Hawaii Leeward Planning Conference a private, member-based 501(c)3 incorporated in 1974 whose 100+ members and affiliates are committed to sound planning and private-public partnerships, supports HB2540 HD2. Statistics confirm that there are more cesspools on the island of and in the County of Hawai`i than combined throughout the rest of the State. The expanse of the island of Hawai`i significantly increases the expense related to the upgrade and conversion of cesspools to septic systems and/or connection to existing sewer system or other approved wastewater treatment system. HB2540 HD2 offers one tool for providing funds for such upgrade/conversion/connection.

Mahalo for allowing this opportunity to speak in support of this measure.

HB-2540-HD-2

Submitted on: 2/22/2018 9:05:29 AM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Thorne Abbott	Individual	Support	No

Comments:

While cesspools may be appropriate in some very limited situations, their use near or upgradient of streams, wetlands, springs or the ocean must be stopped and all coastal units should be upgraded from cesspools to 20th century wastewater technology (septics, aerators, constructed wetlands, etc.). Its irrational to allow raw sewage to discharge in proximity to coastal or watershed resources given they are a source of reef degradation and adverse water quality and its health effects. Please support converting all oceanfront dwellings, including apartments and condos, to modern wastewater treatment technology, including providing assistance in making such conversions a reality.

HB-2540-HD-2

Submitted on: 2/22/2018 10:21:02 AM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
George Fry	Individual	Support	No

Comments:

Please support this bill and allow homeowners the chance to solve the cesspool dilemma by allowing low interest loans.

Mahalo

George Fry

HB-2540-HD-2

Submitted on: 2/22/2018 10:45:34 AM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

HB-2540-HD-2

Submitted on: 2/22/2018 1:35:28 PM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Henderson	Individual	Support	No

Comments:

I am submitting this again in response to revisions included in HD2. As a Puako resident on Hawai'i Island and Hawai'i state voter, I strongly support this bill. We have a duty to our children, and their children, to do all we can to stop degrading our environment. Cesspools close to sensitive areas have a negative impact. This bill will help us to actually implement positive solutions. Please vote yes.

Mahalo

David Henderson

LATE

HB-2540-HD-2

Submitted on: 2/22/2018 5:05:55 PM

Testimony for FIN on 2/23/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Milholen	Individual	Support	No

Comments:

The allowance of cesspools in Hawaii are a continued environmental threat and embarrassing to the state. Please support measures aimed at reducing, and eventually eliminating cesspools in Hawaii.

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com



LATE

February 23, 2018

KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
DAVID C. HULIHEE
KAY C. MATSUI
RAY C. SOON

ROSS S. SASAMURA, Ex-Officio
JADE T. BUTAY, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer *ll*

The Honorable Sylvia Luke, Chair
and Members
Committee on Finance
Hawaii State Capitol, Room 308
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

Subject: House Bill 2540, HD 2: Relating to Cesspools

The Honolulu Board of Water Supply (BWS) has concerns regarding House Bill (HB) 2540 House Draft (HD) 2. This bill proposes to establish a statewide cesspool remediation and conversion low interest loan program to cesspool owners who upgrade or convert their cesspools to a system approved by the Department of Health (DOH). The DOH will administer the loan program in coordination with each county water and sewage department. However, the BWS has concerns on the feasibility of this loan program.

The City Department of Environmental Services is responsible for the Wastewater treatment not the Honolulu Board of Water Supply. Because a potential loan recipient may not currently have an account with the BWS, there may not be an existing relationship between the BWS and the loan recipient. The collection of loan payments is largely a loan servicing function. Such a function is beyond the scope of the BWS and the BWS does not have the expertise to service and administer such a program. Since HB 2540, HD2 attempts to create a function outside the mission and expertise of the BWS, we respectfully request that any-and-all references to "on-bill financing" be deleted from the proposed language.

Thank you for the opportunity to testify on HB 2540, HD 2.

Very truly yours,

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

The Twenty-Ninth Legislature
Regular Session of 2018

LATE

HOUSE OF REPRESENTATIVES
Committee on Finance
Rep. Sylvia Luke, Chair
Rep. Ty J.K. Cullen, Vice Chair
State Capitol, Conference Room 308
Friday, February 23, 2018; 2:00 p.m.

RELATING TO CESSPOOLS

The ILWU Local 142 supports H.B. 2626 HD 1, which requires the Department of Health to hire a third-party consultant to conduct a study on the issues relating to the upgrade or conversion of cesspools, establishes the cesspool conversion working group to assist the third-party consultant on the study, and appropriates funds.

H.B. 2626 HD 1 specifically provides that a Department of Health hired third-party consultant must conduct a study on "cesspool conversion," as required by Act 125, Session Laws of Hawaii 2017, and shall do so in collaboration with the newly established cesspool conversion working group. Areas of focus for the study include, but is not limited to:

- financing issues and the feasibility of various mechanisms, including grants, loans, tax credits, fees, special assessment districts, requirements for conversion at point of sale, and any other appropriate mechanisms for accomplishing and funding cesspool conversion, or any combination of these mechanisms;
- owners' ability to pay for cesspool conversions, especially how assistance can be provided for lower-income homeowners; and
- the most cost-effective approach to cesspool conversion.

The bill delineates the selection process for the working group and requires a report be submitted to the legislature by December 31, 2019. Furthermore, it provides a blank appropriation to conduct the study and ultimately sunsets on July 1, 2020.

The ILWU understands the very real water pollution concerns related to cesspools and generally supports the transition to appropriate wastewater treatment. We, however, believe it unreasonable to expect working class families trying to survive in Hawaii's tough cost-of-living environment or retirees on fixed incomes in rural areas to do so without significant financial assistance.

As such, the ILWU urges passage of H.B. 2626 HD 1 to facilitate the review of wastewater treatment best practices and reasonable financing methods to ensure full compliance with Act 125, Session Laws of Hawaii 2017. Thank you for the opportunity to share our views on this matter.