



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

**Testimony COMMENTING on SB0221**  
**RELATING TO CESSPOOLS**

SENATOR MIKE GABBARD, CHAIR  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Hearing Date: February 22, 2019

Room Number: CR 224

1 **Fiscal Implications:** None.

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

14 **Offered Amendments:** No amendments offered.

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

# BOARD OF WATER SUPPLY

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




February 22, 2019

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Manager and Chief Engineer

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

The Honorable Mike Gabbard, Chair  
and Members  
Committee on Agriculture and Environmental  
Protection  
Hawaii State Capitol, Room 224  
Honolulu, Hawaii 96813

Dear Chair Gabbard and Members:

Subject: Senate Bill No. 221 Relating to Cesspools

While the Honolulu Board of Water Supply (BWS) supports the intent of Senate Bill (SB) 221, the bill lacks details on how the proposed on-bill financing option would work pending the promulgation of administrative rules. 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 BWS. However, the BWS does include in its customer billings a water sewer charge for those customers that have a sewer. 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 SB 221 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.

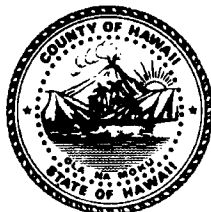
Thank you for the opportunity to testify on SB 221.

Very truly yours,



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

**Harry Kim**  
*Mayor*



**Wil Okabe**  
*Managing Director*

**Barbara J. Kossow**  
*Deputy Managing Director*

## County of Hawai'i Office of the Mayor

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February 20, 2019

Senator Mike Gabbard, Chair  
Committee on Agriculture and Environment

Senator Russell E. Ruderman, Vice Chair  
Committee on Hawaiian Affairs

Dear Chair Gabbard, Vice Chair Ruderman, and Committee Members:

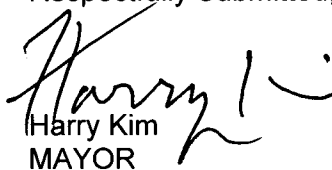
**RE: SB 221, Relating to Cesspools**

The cost of cesspool conversion is going to be prohibitive for many of our residents.

It is therefore in everyone's interest that assistance be provided for those who must convert to a septic system or aerobic treatment, or connect to a sewerage system.

I hope you will act favorably on SB 221.

Respectfully Submitted,

  
Harry Kim  
MAYOR

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>

KIRK CALDWELL  
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 19-69

February 21, 2019

The Honorable Mike Gabbard, Chair  
The Honorable Russell E. Ruderman, Vice Chair  
and Members of the Committee on Agriculture  
and Environmental Protection  
Hawaii State Capitol, Room 224  
Honolulu, Hawaii 96813

Dear Chair Gabbard, Vice Chair Ruderman and Members of the Committee on  
Agriculture and Environmental Protection:

Subject: Senate Bill No. 221 Relating to Cesspools

While the Department of Environmental Services (ENV) supports the intent of Senate Bill (SB) 221, ENV has concerns about the feasibility of the proposed program given the lack of specific details in this bill.

This bill proposes to establish a statewide cesspool remediation and conversion low interest loan program to cesspool owners to upgrade or convert their cesspools or connect them to an existing sewer system or a wastewater treatment system approved by the Department of Health (DOH). The DOH will administer the loan program in coordination with each county water and sewage department.

The source of funding for this program is unclear. ENV would not be able to use sewer funds to support this program which, per City ordinance, are for the purpose of operating, maintaining and upgrading the City's sewer system only. ENV's bond covenants would also likely prohibit the use of sewer funds for this program.

It is unclear if the system used by the Board of Water Supply (BWS) to bill customers for water and wastewater services could incorporate an on-bill financing function. Financing individual cesspool upgrades is also not part of ENV's mission nor does it have the expertise in the field of serving as a bank..

Lastly, the water and wastewater account holder – the entity responsible for paying the bill – is often a property tenant, not the property owner. It would seem inappropriate to bill the tenant for the conversion loan. Given this arrangement, the water and wastewater bill is likely not an optimal place to bill for this program.

Testimony for SB 221  
February 21, 2019  
Page 2

We respectfully request that any-and-all references to "on-bill financing" be deleted from the proposed language.

Thank you for your consideration of our testimony on this measure.

Sincerely,



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

**SB-221**

Submitted on: 2/21/2019 1:04:34 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



Feb. 22, 2019

In Support of SB221 Relating to Cesspools  
Senate Committee on Agriculture & Environment (AEN)  
Feb. 22, 2019, 1:15pm, Room 224

Aloha, Chair Gabbard, Vice Chair Ruderman, and Members of the Committee:

The Surfrider Foundation's Hawaii Chapters strongly support SB221 to help the Hawaii Dept. of Health (DOH) establish a low-interest loan program with each county's wastewater agency. This will help homeowners with the process of upgrading their cesspools to septic systems, ATU's and other better treatment systems or help pay for connecting them to sewer lines. Volunteer leaders from Surfrider five Hawaii Chapters have played an active role in passing bills to stop the construction of new cesspools, create tax incentives for homeowners to convert them and make plans to convert thousands of cesspools across Hawaii.

Non-point source discharge from cesspools in Hawaii is a serious threat to our water quality, and this bill offers a sensible, overdue solution. With about 88,000 across the state, Hawaii has the highest number of cesspools in the country, and many pose a threat to water resources. These substandard wastewater systems leach an estimated 53 million gallons per day of untreated human waste, harmful pathogens and nutrient loads into nearby waters. Cesspools are a leading source of water pollution, and their effluent can contaminate drinking water sources, streams and oceans with disease-causing pathogens, algae-causing nutrients and other harmful substances.

As the Hawaii Regional Manager of Surfrider, I was invited to join and currently serve on the Hawaii Dept. of Health's (DOH) Cesspool Conversion Working Group. We need commitments from the State to help develop funding programs like this one that help homeowners pay for the high costs of converting their cesspools to septic systems, ATU's, new technology or a sewer connection. I was also fortunate to be invited to the Bill & Melinda Gates Foundation's Reinvented Toilet Expo in Beijing in Nov. of 2018, and I learned about many new technological advancements in wastewater treatment. I hope his bill will help fund new technology that is more effective than septic systems.

Surfrider is part of the Hawaii Reef & Ocean Coalition (HIROC), and we believe this bill will reduce the number of cesspools and improve water quality by helping homeowners convert to more efficient wastewater treatment systems. Because cesspools pose serious public health and environmental problems, new technology is needed to help Hawaii leapfrog over old cesspools and septic systems, which still leach many harmful pathogens and chemicals into our waters everyday. Mahalo for your consideration and leadership in dealing with these water quality and waste issues and helping to make Hawaii a leader in wastewater treatment.

Aloha,

Stuart Coleman

Stuart H. Coleman, Hawaii Manager

**SB-221**

Submitted on: 2/20/2019 12:11:03 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Owen Miyamoto	Individual	Support	No

Comments:



**SB-221**

Submitted on: 2/20/2019 4:20:54 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Lois Crozer	Individual	Support	No

Comments:

Great idea! We need to stop polluting our oceans and save our precious coral.

**SB-221**

Submitted on: 2/20/2019 4:44:29 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
John R. Gordines	Individual	Support	No

Comments:

**SB-221**

Submitted on: 2/20/2019 5:24:17 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Elle Cochran	Individual	Support	No

Comments:

Aloha To whom it may concern:

I am Elle Cochran former West Maui County Councilmember from 2010-2018.

Cesspools in Maui County are having negative environmental impacts. A program for low interest loans would be very helpful for our community to come into upgrade compliance sooner rather than later. I would like to see all cesspools converted much sooner than the 2050 deadline.

Mahalo for the thinking outside the box,

Elle Cochran

808-281-7709

**SB-221**

Submitted on: 2/21/2019 11:18:18 AM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Crystal Dombrow	Individual	Support	No

Comments:

**SB-221**

Submitted on: 2/21/2019 4:27:00 PM

Testimony for AEN on 2/22/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kapua Keliikoa-Kamai	Individual	Support	No

Comments:

Aloha kakou,

SB 221 RELATING TO CESSPOOLS. Authorizes the Department of Health to coordinate with each county wastewater agency to establish a low interest loan program to upgrade or convert cesspools to septic systems or aerobic treatment unit systems, or to connect cesspools to existing sewer systems or other wastewater treatment systems approved by the department.

I support SB221 as it will motivate and help more people to upgrade or convert from cesspools. However, it seems like a new "job/function" was created and needs to be more defined before the Dept of Environmental Svcs & the Board of Water Supply are able to implement this. Mahalo.