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Alice L. Lee

Vice-Chair
Keani N.W. Rawlins-Fernandez

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Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Traci N. T. Fujita, Esq.

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 6, 2022

TO: Honorable David A. Tarnas, Chair
House Committee on Water and Land

FROM: Alice L. Lee
Council Chair

DATE: February 6, 2022

SUBJECT: **OPPOSE OF HB 2181, RELATING TO STORMWATER FEES**

Thank you for the opportunity to testify in **OPPOSITION** of this measure. The purpose of this measure is to exempt the State from county stormwater user fees.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **OPPOSE** this measure for the following reasons:

1. This measure arbitrarily reduces county revenue by exempting the State from county stormwater user fees.
2. The operation and maintenance of the County's stormwater system should be considered a utility, where customers, including the State, pay fees to use the services. This is consistent with the how the State pays for water, sewer, and electrical services to its facilities.
3. The indiscriminate granting of an exemption to the State is opposed because it would inequitably shift fees to private property owners and the counties and undermines the progress made by Act 42 (2015) to encourage the protection of water resources through a stormwater user fee.

For the foregoing reasons, I **OPPOSE** this measure.

ocs:proj:legis:22legis:22testimony:sb2181_paf22-018(20)a_lma

MICHAEL P. VICTORINO
Mayor

ROWENA M. DAGDAG-ANDAYA
Director

JORDAN MOLINA
Deputy Director

WADE SHIMABUKURO, P.E.
Development Services Administration

RODRIGO "CHICO" R. RABARA, P.E.
Engineering Division

JOHN R. SMITH, P.E.
Highways Division

Telephone: (808) 270-7845
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COUNTY OF MAUI
DEPARTMENT OF PUBLIC WORKS
200 SOUTH HIGH STREET, ROOM NO. 434
WAILUKU, MAUI, HAWAII, 96793

TESTIMONY
OF
JORDAN MOLINA, DEPUTY DIRECTOR OF PUBLIC WORKS
COUNTY OF MAUI

TO THE HOUSE COMMITTEE
ON
WATER & LAND
THURSDAY, FEBRUARY 08, 2022, 9:00 A.M.

HOUSE BILL 2181
RELATING TO STORMWATER FEES

Honorable David A. Tarnas, Chair,
Honorable Patrick Pihana Branco, Vice Chair,
and Members of the WAL Committee

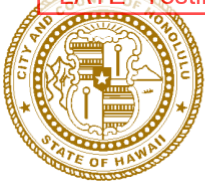
Thank you for the opportunity to submit testimony on HB 2181. The County of Maui Department of Public Works **OPPOSES** the proposed measure.

The bill seeks to exempt the State and its departments and agencies from payment of any stormwater utility fees that may be established by a County. The operation and maintenance of the County's stormwater system should be considered a utility like any other utility (water, wastewater, electric, cable TV, and telephone) where customers pay fees to use the services provided by the utility. This would be consistent with the how the State pay for water, sewer, and electrical services to its facilities.

There may be special categories of State facilities and lands, such as roadways, where limited exemptions may be appropriate. However, the indiscriminate granting of an exemption to the State is opposed because it would inequitably shift fees to private property owners and the counties and undermines the progress made by Act 42, SLH 2015 to encourage the protection of water resources through a stormwater user fee.

Sincerely,

JORDAN MOLINA
Deputy Director of Public Works



RADIANT CORDERO
Councilmember, District VII
(808) 768-5007
e-mail: rcordero@honolulu.gov

February 7, 2022

TO: CHAIR DAVID TARNAS, COMMITTEE ON WATER AND LAND
VICE CHAIR PATRICK BRANCO, COMMITTEE ON WATER AND LAND
MEMBERS OF THE COMMITTEE ON WATER AND LAND

FROM: COUNCILMEMBER RADIANT CORDERO
HONOLULU CITY COUNCIL, DISTRICT VII

SUBJECT: TESTIMONY IN OPPOSITION OF HOUSE BILL 2181

Aloha Chair Tarnas, Vice Chair Branco, and Members of the Committee on Water and Land:

I am a current member of the of the Honolulu City Council and represent over 112,000 neighbors from Ford Island & Hālawā to Liliha & Iwilei. I stand in **opposition** of House Bill 2181, which aims to exempt the State from paying any potential storm water usage fee.

Storm water drainage systems are in need of significant modifications, such as increasing permeable surfaces or relocating existing storm water drains, to address the imminent effects of climate change and prevent further issues, such as flooding and erosion. Additionally, the Red Hill crisis exacerbated and highlighted this vulnerability of our water resource and supporting infrastructure. If the need for storm water usage fees be necessary, without the State paying their share to upkeep these public systems, the burden on individual taxpayers throughout the State will sharply rise to maintain a service which is heavily relied upon by all Hawai'i's businesses and residents.

When discussed last session in House Bill 1060 (2021), an overwhelming majority of the testimony was in opposition to this bill. If and when counties enact storm water usage fees to maintain and improve existing drainage systems, the public should know their government is equally as financially responsible in protecting public infrastructure.

Thank you for this opportunity to testify in **opposition** of House Bill 2181.

DEPARTMENT OF FACILITY MAINTENANCE

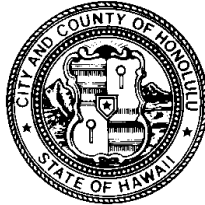
CITY AND COUNTY OF HONOLULU

1000 Ulu'ohia Street, Suite 215, Kapolei, Hawaii 96707

Phone: (808) 768-3343 • Fax: (808) 768-3381

Website: www.honolulu.gov

RICK BLANGIARDI
MAYOR



DAWN B. SZEWCZYK, P.E.
DIRECTOR AND CHIEF ENGINEER DESIGNATE

WARREN K. MAMIZUKA
ACTING DEPUTY DIRECTOR

IN REPLY REFER TO:
22-044

February 7, 2022

The Honorable David A. Tarnas, Chair
The Honorable Patrick Pihana Branco, Vice Chair
and Members of the Committee on Water and Land
House of Representatives
415 South Beretania Street
Honolulu, Hawaii 96813

SUBJECT: Department of Facility Maintenance, City and County of Honolulu
Testimony in Opposition to H.B. No. 2181, Relating to Stormwater
Fees

The City and County of Honolulu's Department of Facility Maintenance (DFM) has primary responsibility for ensuring the County's compliance with stormwater regulations under the United States Clean Water Act. In 2015, the Hawaii Legislature took the proactive and foresighted step of authorizing the counties to establish fee-based funding of storm water services, or "storm water utilities." Over the past two (2) years, the DFM has undertaken a comprehensive program to develop a storm water utility and fee for the County pursuant to this State law. During this time, extensive information has been provided to State agencies and departments on the benefits and impacts of adopting a storm water fee. **Please see the attached summary information.** The DFM opposes H.B. No. 2181, Relating to Stormwater Fees, which would exempt all State departments and lands from storm water fees and prohibit the City and County from enforcing penalties for non-payment of duly adopted fees.

Protecting and enhancing Oahu's groundwater, streams, and near-shore environment is a shared responsibility. Storm water utilities have been adopted by over 2,000 of our peer cities and counties in the United States and Canada, providing stable, equitable funding for these programs including permitting, maintenance and necessary capital improvements. Under a storm water utility, all properties, including United States government properties, would pay a fee representing their fair share of the cost of providing services, similar to the water bills charged by the Honolulu Board of Water Supply and sewer fees by the Department of Environmental Services. Storm water fees will be assessed based on impervious area and the total raised may not exceed the

The Honorable David A. Tarnas, Chair
The Honorable Patrick Pihana Branco, Vice Chair
and Members of the Committee on Water and Land
February 7, 2022
Page 2

demonstrated cost of storm water services, an important check and balance on spending that is not in place today. The DFM has determined that it currently spends \$92 million per year on storm water services but is expecting that cost will need to increase upwards to around \$112 Million in order to run a right sized program.

A blanket exemption of State facilities as proposed in H.B. 2181 undermines this important element of equity and fairness. In fact, equity and fairness are the core purposes of adopting a storm water fee: Today, the full cost burden is on taxable properties, with the greatest impact on residential property owners. Under a storm water utility, everyone would pay a fair share based on storm water runoff generated from impervious surfaces. It is notable that the Clean Water Act itself requires all federal agencies (which own nearly 17% of the impervious area on Oahu) to pay duly adopted local storm water fees. Courts across the United States have upheld the appropriateness and legality of state and federal governments paying duly adopted and equitable storm water utility fees, recognizing the burden on local taxpayers with the introduction of any new utility fees. State properties, based on current estimations, makes up around 14% of the total amount impervious area on Oahu.

Adoption of a fee at the level under consideration by the City and County of Honolulu would result in charging fees to State agencies for their share of the total cost of managing storm water runoff on O'ahu. However, there are multiple opportunities for each state agency to reduce its fees and to cooperate with DFM in finding mutually beneficial means of providing these services. Under the proposed structure of the storm water utility, all State agencies would have the opportunity to reduce their fees by up to 60%, by implementing beneficial water capture and storm water management practices on site, which most State agencies are doing. The DFM also is aware of cooperative approaches other jurisdictions have taken to address the cost impact on State agencies. The current draft fee proposals exempt all public roadways and it is possible that other surfaces such as State airport runways and harbor docks can be considered fundamentally part of the public transportation systems and also be exempt from fees. The City had met with the State Department of Transportation in December 2021 to present those partnership opportunities. There are also opportunities for credits and rebates associated with education on storm water and watersheds in the State Department of Education (DOE) schools. We have only so far released draft fee proposals and we have not had the opportunity to discuss these options with the State DOE partners. The H.B. 2181 would foreclose exploration of appropriate and fair fees and mutually beneficial options, including delayed/phased implementation based upon economic recovery.

The Honorable David A. Tarnas, Chair
The Honorable Patrick Pihana Branco, Vice Chair
and Members of the Committee on Water and Land
February 7, 2022
Page 3

In its 2015 action authorizing counties to adopt storm water fees, the Legislature recognized the need to fund the protection of our waters sufficiently, and equitably. H.B. No. 2181 moves the State away from embracing that shared responsibility. The DFM would be happy to conduct a presentation and Q&A on the storm water utility, fee proposals, potentials for phased implementation, etc. to this committee and any other interested legislators whenever convenient for you. We urge the committee to reject H.B. No. 2181 at this time to allow for further discussion and collaboration. Thank you for this opportunity to testify on this measure.

Sincerely,

Dawn B. Szewczyk, P.E.
Director and Chief Engineer Designate

Attachment



Storm Water Utility

Projected Rate, Revenues & Fee Impacts

February 7, 2022

Proposed Rate, Maximum Reductions & Hardship Allowances

- Storm water rate, before credits: \$6.33/month/1,000 SF of Impervious Area
- Maximum monthly rate for low-income households: \$3.17/month
- Maximum annual charge to non-profit facilities: 0.5% of annual revenue (*based on individual sites, not income of parent/umbrella organization*)

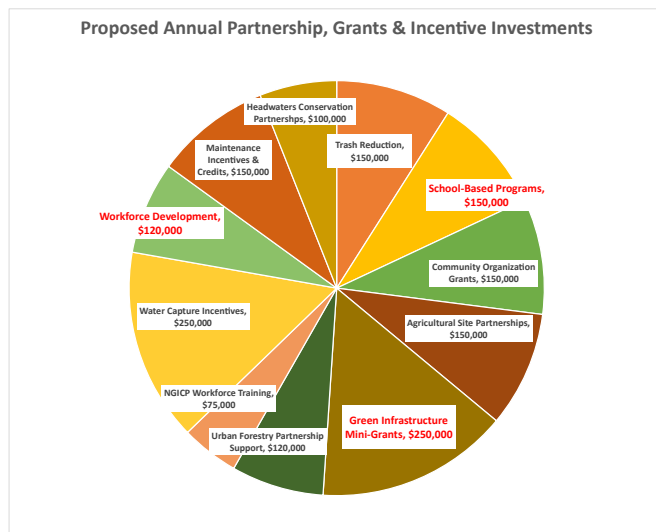
Adverse Impact of Proposed Exemptions

Partial exemption of HDOT Airport and Harbor facilities would increase rate to \$6.58 (5% increase)

- Increases rate by \$0.25
- Reduces DOT Airports fee by ~85%
- Reduces DOT Harbors fee by ~41%
- Adds to cost for other Oahu ratepayers, including other State of Hawaii Departments

Blanket exemption of all state properties would further increase rate to \$7.28 (15% increase)

- Adds total of \$0.95/month to storm water rate
- Fee at ~\$25.50/month for typical single family (increase of \$3.50/month)



Storm Water Services Budget Supported (2020 dollars)

- Annual Average Operating Budget: \$62.16 million/~\$20 million increase from FY20
- Projected “Steady State” Budget, FY 7+: \$65 million operating/\$37 million capital (includes debt service)

Capital Budget Supported (2020 dollars)

- Annual Average Cash-Funded CIP, Years 1-3: \$40 million (scheduled, permit-mandated projects)
- *Debt-funded capital issued in Year 4 for asset renewal: \$75 million



Storm Water Utility

Projected Rate, Revenues & Fee Impacts

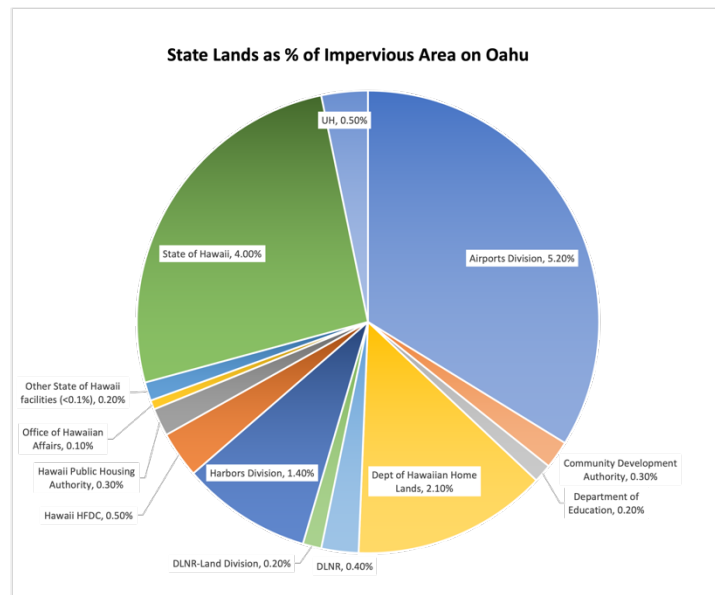
February 7, 2022

Projected Fees for State Departments & Facilities

Estimated Storm Water Fees @ \$6.33/month	Impervious Area (,000 SF)	Monthly Fee	Annual Fee	
<i>United States of America</i>	62,764	\$397,298	\$4,767,571	
<i>City & County of Honolulu</i>	60,552	\$383,297	\$4,599,563	<i>Annual fee with full 60% credit:</i>
State of Hawaii	731	\$4,627	\$55,527	\$22,211
Hawaii MMDG LLC	4,375	\$27,694	\$332,334	\$132,933
Hawaiian Home Lands	32,441	\$205,355	\$2,464,254	\$985,702
Hawaii Housing Finance & Development Corp.	19,984	\$126,499	\$1,517,985	\$607,194
Hawaiian Electric Company	7,834	\$49,587	\$595,039	\$238,016
University of Hawaii	7,257	\$45,939	\$551,265	\$220,506
Hawaii Public Housing Authority	4,713	\$29,836	\$358,036	\$143,214
Hawaii Community Development Authority	4,097	\$25,932	\$311,179	\$124,471
State of Hawaii - Department of Ag.	37	\$237	\$2,844	\$1,138
University of Hawaii Foundation	106	\$674	\$8,083	\$3,233

Example Fees to Other Customers, Base & with 60% Maximum Credit

Customer	Monthly Fee	Annual Fee	Annual w/Max. Credit (60%)
Typical Single-Family Residence	\$22	\$264	\$106
Safeway Plaza, Salt Lake Blvd. & Ala Liliko Street	\$1,522	\$18,264	\$7,305
Roman Catholic Archdiocese (all properties)	\$20,372	\$244,466	\$97,786
Ala Moana Mall	\$44,373	\$280,883	\$112,353



Supporting Documents

Feasibility study summary report:

https://www.stormwaterutilityoahu.org/wp-content/uploads/HAWAII_HONOLULU-SWU_HCF-REPORT_FINAL-SUMMARY-REPORT_12-222020.pdf

Overview of Storm Water Utility Legal Cases:

<https://stormwater.wef.org/wpcontent/uploads/2015/01/NACWAs-Navigating-Ligitagtion-Floodwaters.pdf>

Credits, Rebates & Exemptions analysis:

https://www.stormwaterutilityoahu.org/wpcontent/uploads/HI_HNL_SWU_TECH_TM_Credits-Hardship_Final_12.08.2020.pdf

Rate Analysis:

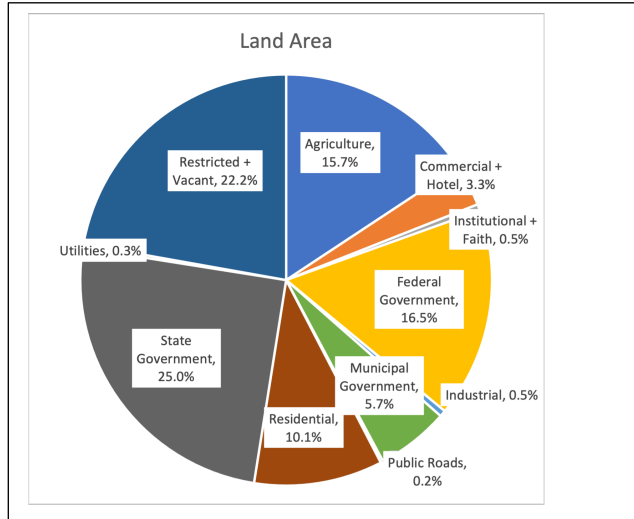
https://www.stormwaterutilityoahu.org/wp-content/uploads/CCH_DFM_Rate_Analysis_Final.pdf



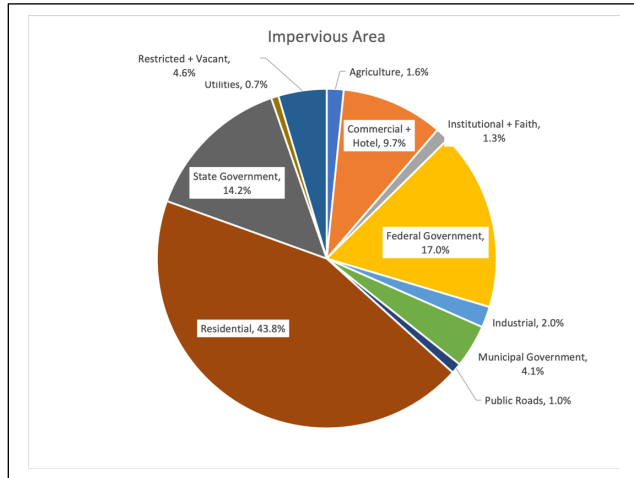
Storm Water Utility

Impervious Area, Land Area & Taxable Value

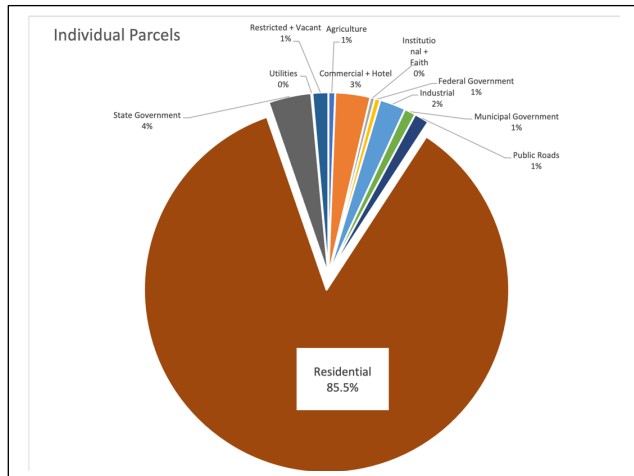
February 9, 2021



State-owned lands make up 25% of the land area on the Island of Oahu. Federal government and military facilities comprise another 16.5%. Residential, commercial, hotel, and industrial lands, which make up the bulk of the City & County's taxable value, represent only 13.8% of the Island's land area. **These owners of taxable lands contribute roughly \$70 million in property taxes towards the \$92 million annual storm water budget.** The remaining \$22 million is an internal transfer from the Highway Fund, representing the cost of maintaining roadway-related storm water systems.



An impervious area-based fee distributes the cost of storm water services across all property owners and across all land uses. **Courts across the U.S. have upheld the use of impervious area as a legally valid basis for determining a property's proportional impact on the cost of storm water services.** This approach generally reduces the share of the total storm water cost funded by taxable residential and commercial properties. Residential lands make up 43.8% of impervious area but generated 52% of 2020 tax receipts to the City and County¹. Commercial and hotel properties contain 9.7% of impervious area and generated 36% of 2020 tax receipts.



A flat fee per parcel for storm water services would have the greatest impact on residential properties (left), which represent 85% of all individually-owned properties on Oahu.

¹ Technical Branch, Real Property Assessment Division, Department of Budget & Fiscal Services, City & County of Honolulu

HB-2181

Submitted on: 2/6/2022 3:08:05 PM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Christin Reynolds	One World One Water, LLC	Oppose	Yes

Comments:

Thank you for the opportunity to testify, I will keep these statement succicnt and appreciate your consideration on this important matter.

- We have the opportunity to choose a better future for our islands in the face of climate change and impending water shortages, with our actions now we must reinvigorate our water infrastructure systems and implement best practices.
- One of the known best practices is to try to capture and retain as much rainfall as possible to infiltrate back into our aquifers and prevent stormwater runoff which results in pollution for near shore areas and reefs.
- The City & County of Honolulu is taking leadership to implement these best practices, it's team (MS4 Program) were nationally recognized as a leader receiving Gold recognition for program management, and Silver for innovation, using criteria that are set by the stormwater institute, <https://wefstormwaterinstitute.org/programs/ms4awards/>
- Nationwide stormwater utilities equitably distribute stormwater fee's across all parties who contribute to the stormwater which includes State entities. It would be in-equitable for this Legislature to exempt the State from the fee, we all contribute to the runoff and will benefit from it's management so we all need to work together to pay for to the solutions.
- The legislature took strong leadership in 2015 with Act 42, turning back now would hinder the progress already made.
- We urge this legislature to oppose HB 2181 and stay committed to taking the necessary action to protect the future of our islands from climate change, water shortages, infrastructure failure and inequities. We are choosing the future with our decisions today.



**HAWAI'I COMMUNITY
FOUNDATION**

To: The Honorable David Tarnas, Chair
The Honorable Patrick Branco, Vice Chair
And Members of the House Committee on Water & Land

From: Micah Kāne, Chief Executive Officer & President
Hawai'i Community Foundation

Re: Testimony in Opposition to HB2181 Relating to Stormwater Fees

Date: Tuesday, February 8, 2022

Time: 9:00 A.M.

Place: Via Conference Room 430 and Videoconference

My name is Micah Kāne, Chief Executive Officer & President ("HCF"). I am submitting this testimony in opposition to HB2181 which exempts the State, and its departments and agencies, from county stormwater user fees and prohibits a county from denying services to the State or its departments and agencies by reason of nonpayment of user fees.

The exemption provided for under HB2181 would cause a significant burden to be allocated to resident homeowners and other private landowners. It should be noted that a material portion of the State's revenue comes from tax dollars collected from non-Hawaii residents. Therefore, through the State paying its fair share of stormwater fees, non-residents are helping pay for our stormwater system. If State lands are exempted, the amount of participation by non-residents is significantly reduced and our local residents will have to pay more.

Our islands are experiencing a range of water quality, flooding, aging infrastructure, and fresh water supply issues related to storm water management, climate change and sea level rise. At the same time, federal requirements under the U.S. Environmental Protection Agency's (EPA) Clean Water Act are imposing increasingly stringent permit standards for storm water runoff management that the City & County of Honolulu must meet, or face very costly fines and penalties. Government officials at the State and County levels recognize the need to take steps to strengthen and expand storm water management services.

Managing and improving our stormwater systems is vital to our environment and the long-term future of our communities. As climate change persists, sustainably managing stormwater will become even more important as sea levels rise and rainfall patterns become less predictable. Stormwater user fees that are calculated under a fair formula provides the best policy and revenue development to take care of this much needed effort. In order to achieve a fair and equitable allocation of the necessary costs, no one, including the State, should be exempted from the fees. For any and every group that is exempted, the burden falls disproportionately on the remaining landowners.

Stormwater management will help promote sustainable stormwater practices that enhance water recharge and is a strong component of Hawaii's sustainability goals, notably the 2016 Sustainable Hawai'i Initiative highlighted the need to protect nearshore ocean waters by reducing sediment and pollution and the State of Hawai'i adopted the Aloha+ Challenge goal of minimizing the impacts of land use on the natural environment. Hawai'i Community Foundation's Fresh Water Initiative also adopted the 2030 target of increasing water security by 100 million gallons per day. Part of this target is increasing recharge by 30 million gallons per day by 2030, which will not only result in increased water security but will also reduce runoff pollution and overflows that result in flooding. Hawai'i Community Foundation has dedicated both time and resources to assist the City & County of Honolulu with community meetings and planning to identify the stormwater system needs and solutions, including development of a fair use fee structure. This public private partnership with the philanthropic community looks to help achieve these environmental and community goals.

In order for Hawai'i to continue being a leader in sustainability, connecting climate change mitigation and the health and prosperity of our communities, we urge you to oppose HB2181.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Exempt State from County Stormwater Fees

BILL NUMBER: HB 2181, SB 3149

INTRODUCED BY: HB by SAIKI by request; SB by KOUCHI by request (Governor's Package)

EXECUTIVE SUMMARY: Exempts the State, and its departments and agencies, from county stormwater user fees. Prohibits a county from denying services to the State or its departments and agencies by reason of nonpayment of user fees.

SYNOPSIS: Amends section 46-1.5(5)(E), HRS, to provide that although the counties may establish and charge user fees to create and maintain any stormwater management system or infrastructure, no such user fee shall be charged to or payable to each county by the State or any of the State's departments or agencies and no services shall be denied to the State or its departments and agencies by reason of nonpayment of such fees.

EFFECTIVE DATE: Upon Approval

STAFF COMMENTS: This is an Administration bill sponsored by the Department of Transportation and designated TRN-02 (22).

Although this may sound like a heavy-handed thing for a State to do, it appears to be within the State's power. The State created the counties by law, and unless something like the state constitution says otherwise, the State can determine what the counties can or can't do in terms of charging taxes or fees.

Digested: 2/5/2022



February 7, 2022

Representative David Tarnas, Chair
Representative Patrick Branco, Vice Chair
Committee on Water and Land

RE: **HB 2181 - Relating to Storm Water**
Hearing date: February 8, 2022 at 9:00AM

Aloha Chair Tarnas, Vice Chair Branco and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **OPPOSITION** to HB 2181. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

The purpose of HB 2181 is to: 1) exempt the State and its departments and agencies, from county stormwater user fees; and 2) prohibit a county from denying services to the State or its departments or agencies by reason of nonpayment of user fees.

A stormwater utility will help promote sustainable stormwater practices that enhance water recharge and is a strong component of Hawaii's sustainability goals. If a storm water utility were to be implemented, it is crucial that it be equally applied to all landowners across the state including State lands. A stormwater utility fee will help evenly spread the cost of stormwater management services by allowing the cost to be directly related to impervious surface area. Landowners, including State agencies, will be able to reduce their fees by implementing sustainable stormwater practices such as green infrastructure or developing other innovative, sustainable stormwater solutions. Locations across the U.S. have been using stormwater utilities for decades to ensure stormwater management as a public service. Several court cases within the U.S. have upheld that state properties are not exempt from paying stormwater utility fees (i.e. City of Gainesville vs. State.)

Our concern is that should the State be exempted from such a utility fee for impervious surfaces on their lands, the cost of stormwater management will be born solely by private landowners and state residents. The utility fee will impact residents and landowners across the state by already raising our high cost of owning property even more. In addition, this may have an unintended impact raising the cost of affordable housing projects which our residents greatly need.

Representative David Tarnas, Chair
Representative Patrick Branco, Vice Chair
Committee on Water and Land
February 7, 2022
Page 2

For these reasons NAIOP respectfully opposes HB 2181 and ask that it be deferred. Please let us know if we can provide any further information on this matter.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Camp", with a stylized flourish at the end.

Jennifer Camp, President
NAIOP Hawaii



To: The Honorable David Tarnas, Chair
The Honorable Patrick Branco, Vice Chair
And Members of the House Committee on Water & Land

Re: Testimony in Opposition to HB2181 Relating to Stormwater Fees

Date: Tuesday, February 8, 2022 @ 9:00 A.M.

Dear Representative Tarnas, Chair of House Committee on Water & Land;

Roth Ecological Design Intl. provides strategic water planning and integrated water management design. We believe responsible and sustainable water management, including upgrading drainage infrastructure and supporting green stormwater infrastructure initiatives, are critical components for Hawaii to adapt to climate change and build resiliency in our infrastructure and communities. The proposed City and County of Honolulu's Stormwater Utility will be critical to ensure there is a dedicated fund to upgrade undersized and aging infrastructure on Oahu as well as support communities to adopt green stormwater infrastructure solutions that will also offer benefits in improving water quality, water security, carbon sequestration, reduction in heat island effect, and flooding.

Roth Ecological Design Int. **strongly opposes House Bill 2181!** For the state to exempt themselves from the future stormwater utility fee entirely is unacceptable. This would set a bad precedent and not only display a lack of leadership to help steer Hawaii towards building resiliency in its infrastructure, communities and ecosystems, but display a misuse of power to try and release the state of responsibility without any regard of its constituents. The City and County Stormwater Utility Advisory Group which consists of a broad range of stakeholders from neighborhood boards to building associations and large landowners have worked diligently over the last three years developing a fair and equitable approach such that everyone would pay fairly based on their impervious area that contributes to stormwater runoff. This is a critical component for the program to be successful. Should the state back out of paying their fair share this would be highly disruptive and would cause backlash across the community. Moreover, it is counterproductive, disingenuous and goes against all the work set to help prepare our communities for climate change. There needs to be collective, aligned effort where everyone is in the canoe and all paddles are in; the climate issues Hawaii will be facing require everyone to take part in the solution and we need to start now. It is also unprecedented in the U.S. for a state to completely exempt their properties from a city/county stormwater utility fee. Budgets are tight for everyone, not just the state. The fees would not likely be initiated for at least 2 more years to create enough time to plan and allocate budgets accordingly. We are hoping a solution will arise, however as it is currently written we strongly oppose HB 2181!

Sincerely,

Lauren C. Roth Venu, President
lauren@rothecological.com



REDUCE | REUSE | RECHARGE

To: The Honorable David Tarnas, Chair
The Honorable Patrick Branco, Vice Chair
And Members of the House Committee on Water & Land

Re: Testimony in Opposition to HB2181 Relating to Stormwater Fees

Date: Tuesday, February 8, 2022 @ 9:00 A.M.

Dear Representative Tarnas, Chair of House Committee on Water & Land;

3Rwater Inc. develops software and data management solutions to support municipal stormwater programs that also helps to engage communities to adapt to climate pressures. The City and County of Honolulu's proposed stormwater fee would create needed revenue to update the island's aging infrastructure as well as provide incentives for property owners to capture stormwater onsite and be part of the solution.

3Rwater **strongly opposes House Bill 2181**. The state is a significant contributor to stormwater runoff volumes and it would set a terrible precedent to exempt themselves from this universal fee. The pressures of climate change require state leadership and accountability. It is also unprecedented in the U.S. for a state to completely exempt their properties from a city/county stormwater utility fee. The fees would not likely be initiated for at least 2 more years to create enough time to plan and allocate budgets accordingly. As HB2181 is currently written we strongly oppose this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lauren".

Lauren Roth Venu
CEO
lauren@3r-water.com

HB-2181

Submitted on: 2/7/2022 6:55:57 PM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Stuart Coleman	WAI: Wastewater Alternatives & Innovations	Oppose	No

Comments:

Dear Chair, Vice Chair and Committeew Members,

i am writing in opposition to HB2181. Nationwide stormwater utilities equitably distribute stormwater fees across all parties who contribute to the stormwater which including State, Federal, Municipal and Private parties. It would be in-equitable for this Legislature to exempt the State from the fee as the resulting redistributed costs would land heavily on residents and business. Since State dollars also come from visitors, the State payment would ensure visitors pay their share toward the infrastructure they use and impact. We all contribute to the runoff and will benefit from its management, so we all need to work together to pay for the solutions.

The legislature took strong leadership in 2015 with Act 42, turning back now would hinder the progress already made. We urge this legislature to oppose HB 2181 and stay committed to taking the necessary action to protect the future of our islands from climate change, water shortages, infrastructure failure and inequities. Mahalo.

Aloha, Stuart Coleman

HB-2181

Submitted on: 2/7/2022 9:00:07 AM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Yvonne Chan	Individual	Oppose	No

Comments:

I oppose the exemption of the State from the storm water utility fee. We all must do our part to help our environment and impermeable surfaces and proper storm water management are an integral part of keeping our citizens safe and our watershed healthy. I oppose the exemption of the state because then they would not have the incentive to improve their land and properties. Thank you.

HB-2181

Submitted on: 2/7/2022 10:15:10 AM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Matthew Weyer	Individual	Oppose	No

Comments:

Aloha Chair Tarnas, Vice Chair Branco, and Committee Members,

I write in strong opposition to HB2181, exempting the state from county storm water user fees.

We have a shared responsibility to protect our natural resources, including our water resources. The Clean Water Act regulates the discharge of pollutants into and water quality standards for our surface waters. In order to comply with these mandates, and preserve our water resources for future generations, counties have contemplated storm water user fees as an equitable approach to generating funding to comply with what the law already requires. The current suggestions from Honolulu's Storm Water Stakeholder Advisory group include a methodology that assesses user fees based on the amount of impermeable surface on a property. In other words, a parking lot, which contributes more to storm water runoff, would be assessed more than a residential property that maintains a lawn or other vegetation. The methodology also distinguishes between the different uses of properties.

By excluding itself from such an user fee, the State would be disproportionately shifting the burden to local families. It would be unfair for those families to bear the burden of complying with federal mandates and protecting our water resources when State properties also contribute to storm water runoff that must be managed.

With the counties implementing systems to comply with the law and protect our natural resources, the State should have skin in the game. Instead of exempting itself from storm water user fees, this Legislature could require that departments and agencies design and implement plans to reduce storm water runoff and build more sustainably. Maintaining the user fee would provide the incentive necessary for departments and agencies to take these steps, to both reduce costs and protect the environment.

Mahalo,

Matthew Weyer

HB-2181

Submitted on: 2/7/2022 11:55:46 AM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Johnnie-Mae L. Perry	Individual	Oppose	No

Comments:

In 2015, the Hawaii State Legislature took the proactive and foresighted step of authorizing the counties to establish fee-based funding of storm water services, or “storm water utilities” ...

A blanket exemption of State facilities as proposed in HB 2181 (HB 1060 2021) undermines this important element of **equity and fairness**. In fact, **equity and fairness** are the core purpose of adopting a storm water fee... (Roger Babcock, Jr. Ph.D.,P.E., Director & Chief Engineer Designate, City & Count of Honolulu, Feb. 10, 2021 testimony).

I, Johnnie-Mae L. Perry **STRONGLY OPPOSE HB 2181**. As a citizen of Hawaii, where’s the **equity and fairness** that as a kupuna I have to pay and not the state?

Thank you for your wise consideration of my testimony.

HB-2181

Submitted on: 2/7/2022 1:40:44 PM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Doug Harper	Individual	Oppose	No

Comments:

Aloha. Given the importance of improving stormwater runoff to the people and environment of Hawaii, and the extent of government resources, it is imperative that the State not be exempted. Doing so not only deprives the fund of an important funding stream, but it also sends the wrong message to the public, and disincentivizes the State from making improvements. The Stormwater Utility is already tenuous in terms of public support. By removing the State from inclusion, it sends a negative message and will frustrate and anger much of the public.

But perhaps most importantly, addressing stormwater is critical to improve water quality, flooding, and erosion. It is massively underfunded at the moment, and needs an injection of funding and attention to improve the situation. Removing the State from the utility deprives it of a massive amount of funding, meaning the ability to improve runoff is greatly impacted, and creates a situation where the State will not see benefits to improving water on its own land.

In short, Malama Maunalua opposes this bill and exempting the State from the Utility.

Mahalo

FROM THE DESK OF
CHACE K. M. SHIGEMASA

February 7, 2022

Honorable Chair David Tarnas
Honorable Vice Chair Patrick Branco
Honorable Members of the Committee
State of Hawaii, State House,
Committee on Water and Land

RE: Testimony in **OPPOSITION** of House Bill 2181 (H.B. 2181)

Chair Tarnas, Vice Chair Branco & Members:

Over the past year, I have participated as a member of the stakeholder advisory group of the Stormwater Utility Taskforce for the City and County of Honolulu. It is evident now more than ever that we protect our water resources. Protecting our environment is one that the Counties do not take lightly, and as such, our City has taken bold steps to develop a plan to do just that. This legislation, if passed, would exempt the State from stormwater fees if a County decides to adopt such legislation.

H.B. 2181 undercuts the actions of the City and County of Honolulu to adopt policies that over 1,000 cities across the United States have put in place to protect their water resources and provide the much-needed capital to maintain these systems. The Clean Water Act, which requires all federal agencies to pay duly adopted local stormwater fees, should set the example that the State should pass the same legislation which would require all State agencies to pay this fee. Passing this legislation sends the wrong message to the community, which places the State of Hawaii above fairness and equity.

I humbly ask that this committee **REJECT** this measure. Thank you for the opportunity to provide testimony.

Mahalo nui loa,



Chace K. M. Shigemasa

HB-2181

Submitted on: 2/8/2022 7:14:17 AM

Testimony for WAL on 2/8/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Levani Lipton	Individual	Oppose	No

Comments:

Dear Chair Tarnas and Vice-Chair Branco,

I am submitting testimony in opposition to HB2181 relating to stormwater fees.

The State should not be exempt from paying Stormwater fees. Stormwater runoff is a major polluter of our waterways and ocean. A stormwater utility is critical to the process of ensuring adequate water quality. The maintenance of stormwater infrastructure in our state has badly been lacking and insufficient. The current budget to address stormwater management comes from general funds in the C&C budget. The creation of a stormwater utility would help direct a consistent stream of funding towards this important service.

As an active community member advocating for water quality and keeping pollution out of our ocean — I am consistently receiving complaints and documentation through photos and email that our stormdrains are not cleaned, our silt basin is not functional, our hardened culverts are overgrown with brush, our culverts need protective screens, streetsweeping machines can't do their job, and that best management practices on construction sites are not enforced or monitored. These are critical components of stormwater management as is building a workforce to maintain this massive infrastructure often beneath our feet. This is a long term investment. We cannot say that we are being environmental as a state, if we don't act on it.

The stormwater utility calculates its payments on the amount of impermeable surface area on a parcel of land. Exempting the State from paying such fees when it is a major contributor to stormwater runoff —is not acceptable in my opinion. If our residents, businesses and nonprofits have to pay —the State should pay as well. We all contribute to stormwater runoff and we all need to share in the kuleana of our ocean and waterways.

Thank you for your consideration.

Levani Lipton