

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Thursday, April 4, 2024
10:15 AM
Conference Room 211 & Videoconference, State Capitol

In consideration of
HOUSE BILL 2743, HOUSE DRAFT 2, SENATE DRAFT 1
RELATING TO WASTEWATER

House Bill 2743, House Draft 2, Senate Draft 1 proposes to 1) require the University of Hawai'i Water Resources Research Center and the University of Hawai'i Sea Grant College Program to develop an overlay with the Hawai'i Cesspool Prioritization Tool to identify specific priority areas in which the county sewer system or other centralized treatment system could most feasibly be expanded or constructed to reduce or eliminate cesspools before 1/1/2050; 2) authorize the counties to designate sewer improvement districts; 3) authorize the counties to assess a cesspool pollution fee on real properties containing a cesspool beginning July 1, 2025; 4) authorize each county to establish a county cesspool closure and mitigation special fund; 5) authorize the counties to use cesspool pollution fee revenues or other revenues, including real property tax revenues, for certain activities that eliminate, reduce, or mitigate the impacts of cesspools, including the expansion of county sewer systems and the issuance of grants and low-interest loans to property owners; 6) declare that the general fund expenditure ceiling is exceeded; and 7) make appropriations. **The Department of Land and Natural Resources (Department) supports this bill.**

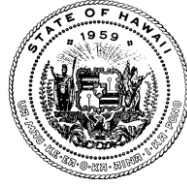
Clean nearshore waters are vital to both public health and the health of nearshore reefs and associated fisheries. Wastewater systems have the potential to pollute groundwater and nearshore waters by introducing elevated levels of contaminants such as nitrogen, phosphorus, and pathogens. A 2023 Hawai'i-based study¹ found that septic and cesspool pollution is a major driver of coral reef decline along the West Hawai'i coastline. When excess nutrients, such as

¹ Gove, J.M., Williams, G.J., Lecky, J. *et al.* Coral reefs benefit from reduced land-sea impacts under ocean warming. *Nature* **621**, 536–542 (2023). <https://doi.org/10.1038/s41586-023-06394-w>

DAWN N. S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
RYAN K.P. KANAKA'OLE
FIRST DEPUTY
DEAN D. UYENO
ACTING DEPUTY DIRECTOR - WATER
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

nitrogen, from these wastewater systems enter nearshore waters, they stimulate the growth of algae, which can smother coral. The Department believes that requiring counties to develop and maintain a wastewater management plan will reduce the amount of contaminants entering Hawai'i's nearshore waters and support more resilient coral reef ecosystems in the long run.

Mahalo for the opportunity to provide testimony in support of this measure.



LATE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378
doh.testimony@doh.hawaii.gov

In reply, please refer to:
File:

**WRITTEN
TESTIMONY ONLY**

**Testimony in SUPPORT of HB2743 HD2 SD1
RELATING TO WASTEWATER**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: 4/4/2024

Room Number: 211

- 1 **Fiscal Implications:** This measure may impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.
- 4 **Department Testimony:** The Department supports the intent of this measure which will require
5 the University of Hawaii water resources research center and the University of Hawaii sea grant
6 college program to develop an overlaid map layer for the Hawaii cesspool prioritization tool to
7 identify specific priority areas in which the county sewer system or other centralized treatment
8 system could most feasibly be expanded or constructed to reduce or eliminate cesspools before
9 January 1, 2050. The measure will authorize the counties to designate sewer improvement
10 districts, assess a cesspool pollution fee on real properties containing a cesspool beginning on
11 July 1, 2025, establish a county cesspool closure and mitigation special fund, and use cesspool
12 pollution fee revenues for certain activities that eliminate, reduce, or mitigate the impacts of
13 cesspools, including the expansion of county sewerage systems and the issuance of grants and
14 low-interest loans to property owners; and make appropriations. The Department supports
15 cesspool conversion efforts managed by the counties.
- 16 **Offered Amendments:** None.
- 17 Thank you for the opportunity to testify.



**Testimony of the
Hawai‘i State Association of Counties**

H.B. No. 2743, H.D.2, S.D.1

Relating to Wastewater.

Committee on Ways and Means
Thursday, April 4, 2024, 10:15 a.m.

The Hawai‘i State Association of Counties (HSAC) supports H.B. 2743, H.D.2, S.D.1, which authorizes the counties to:

- Develop and maintain a wastewater management plan;
- Identify priority areas in which county sewer systems or wastewater treatment systems will be expanded or constructed to reduce or eliminate cesspools; and
- Assess a monthly cesspool pollution fee, which can be used to eliminate, reduce, or mitigate the impacts of cesspools.

Statewide there are almost eighty-three thousand cesspools in Hawai‘i, which release millions of gallons of untreated sewage into the ground contributing to the pollution of groundwater, which makes up most of Hawai‘i’s drinking water.

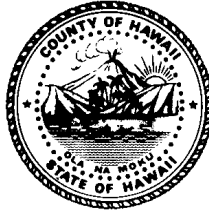
The conversion of onsite wastewater treatment systems requires substantial investment of funds. H.B. 2743, H.D.2, establishes a program to provide financial assistance to eliminate, reduce, or mitigate existing cesspools. It authorizes grants or low-interest loans for the conversion of a cesspool to an eligible property owner, which is described as a person having an income that “does not exceed eighty per cent of the area median income...”, or a loan if the property owner’s income is at least eighty per cent of the area median income **and** does not exceed one hundred twenty percent of the area median income.” H.B. 2743, H.D.2 S.D.1, should be further amended to authorize the counties to further reduce or waive the cesspool conversion fee based on the person’s ability to pay.

H.B. 2743, H.D.2 S.D.1, should also be amended to authorize the counties to leverage the monies in the Cesspool Closure and Mitigation Special Fund to maximize the use of the Fund.



For these reasons, the Hawai‘i State Association of Counties strongly supports H.B. 2743, H.D.2 S.D.1, with the amendments requested and requests your favorable consideration of this measure.

HEATHER L. KIMBALL
COUNCIL CHAIR
Council District 1 (North Hilo,
Hāmākua, and portion of Waimea)



Phone: (808) 961-8828
Fax: (808) 961-8912
Email: Heather.Kimball@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

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

April 2, 2024

Senate Committee on Ways and Means
Honorable Senator Donovan M. Dela Cruz, Chair
Honorable Senator Sharon Y. Moriwaki, Vice Chair
Submission via online testimony only

RE: **Support of HB 2743, HD2, SD1**

Dear Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee on Ways and Means:

As the Chair of the Hawai'i County Council, I thank you for the opportunity to submit **testimony in SUPPORT of HB 2743, HD2, SD1**, relating to wastewater. This legislation requires the counties to authorize each county to assess a monthly cesspool pollution fee to be used by the counties to help facilitate the conversion of the cesspools.

The conversion of cesspools across the state presents a significant financial burden to the counties and the property owners. However, cesspools present a well-established threat to human health and the environment. The urgent need to start conversions can no longer be delayed. Bill HB 2743, HD2, SD1 represents a novel and fair system for everyone to contribute to a solution including individuals, the counties and the state, and the proposed fee reflects the true cost burden of cesspools in our state. The requirement for counties to have a wastewater management plan ensures that there is a public process and clear guidelines and priorities for the use of these funds, particularly to help lower and moderate-income families convert their cesspools before any fees are assessed.

HB2743, HD2, SD1 was developed through a highly collaborative process, led by Rep. Nakamura, members of your committees, representatives from counties and other stakeholder groups. We are grateful to have had the opportunity to work collaboratively towards a solution to ensure the elimination of cesspools in Hawai'i before 2050.

Senate Committee on Ways and Means
Honorable Senator Donovan M. Dela Cruz, Chair
Honorable Senator Sharon Y. Moriwaki, Vice Chair
April 2, 2024
Page 2

I do urge this committee to continue to improve and move HB2743, HD2, SD1 to conference. We are certain with continued collaboration and dialogue we will arrive at a final bill that will be amenable to all involved. Thank you for the opportunity to submit this testimony and provide an amendment. If you would like to discuss my knowledge of this matter further, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in cursive script that reads "Heather Kimball".

HEATHER L. KIMBALL



FROM: Lynn Miyahira representing Public Access to SunScreens (PASS) Coalition

DATE: Tuesday, April 2, 2024

Re: HB 2743

Position: SUPPORT

The [Public Access to SunScreens](#) (PASS) Coalition is a multi-stakeholder coalition composed of public health groups, dermatologists, sunscreen manufacturers, and leading advocates for skin cancer patients. We also support efforts that protect our coral reefs.

We support this measure.

Cesspools are a pressing issue in Hawaii that impacts our health, water quality, and coral reefs. With over 83,000 cesspools in the state, discharging about 50 million gallons of raw sewage every day, immediate action is needed to mitigate their negative impact. Untreated wastewater leaking from cesspools into nearshore waters can cause high levels of nitrogen in the water, which leads to algae blooms that suffocate and cover our coral reefs.

HB 2743 will require each county to develop and maintain a wastewater management plan and allows them to charge a cesspool pollution fee. This comprehensive approach with the counties is important to address the cesspool pollution problem.

Mahalo you for the opportunity to testify.

Sincerely,

Lynn Miyahira
Public Access to SunScreens (PASS) Coalition



4/2/2024

Ways and Means Committee
Hawaii State Capitol
Honolulu, Hawaii 96813

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Ways and Means Committee

Position: Support HB2743

The Surfrider Foundation, Hawaii region, is testifying in **strong support of HB2743** that would require each county to develop and maintain a wastewater management plan.

With an estimated 83,000 cesspools, Hawaii has one of the highest per capita number of cesspools in the nation that discharge 53 million gallons of raw sewage into our groundwater every day. Moving from cesspools to advanced wastewater treatment methods is critical to protecting our natural resources. Hawaii's counties by law have the power over matters of sanitation and sewers, but have not developed comprehensive wastewater management plans. This bill would require the counties to develop such plans and determine which areas in each county will fall within expanded sewer areas. These county-based plans will, for one, provide clarity to local residents of cesspool conversion requirements or the opportunity to be serviced by local sewer lines.

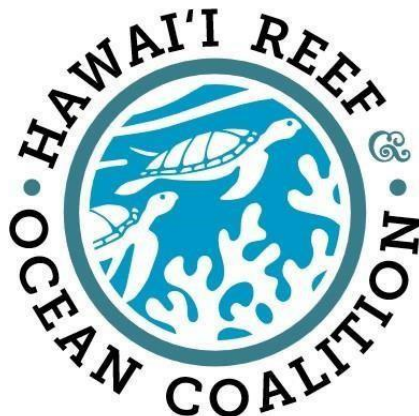
HB2743 would also make explicit the counties' authority to assess cesspool pollution fees on cesspool owners and use the revenue to eliminate, reduce, or mitigate the impacts of cesspools, including the issuance of grants and low interest loans. Funding will be essential; the costs are very high for either sewerage or upgrading on-site systems. With the significant environmental impact of cesspools on Hawaii's water quality, we need all the tools and options available to tackle this major issue.

Surfrider Foundation maintains a citizen-science water quality monitoring program called the Blue Water Task Force (BWTF) on Kauai, Maui, and Oahu that tests for enterococcus, a fecal indicator bacteria. Due to the high concentration of cesspools in areas like Nāwiliwili Stream (Kauai) and Kahalu'u (Oahu), the ocean water near and around these areas regularly exceeds state public health standards. Without mechanisms and tools to help finance and convert cesspools and other failing wastewater systems, we will continue to pollute our coastal and freshwaters, threatening both environmental and public health.

Thank you for your consideration of this testimony in support of HB2743 submitted on the behalf of the Surfrider Foundation's 3 Chapters in Hawaii and all of our members who live in the state and visit to enjoy the many coastal recreational opportunities offered by all of the islands' coastlines.

Sincerely,

Lauren Blickley
Hawaii Regional Manager
Surfrider Foundation



To: The Honorable Chair Donovan Dela Cruz, the Honorable Vice Chair Sharon Moriwaki, and Members of the Committee on Ways and Means.

From: Hawai'i Reef and Ocean Coalition (by Ted Bohlen)

Re: Hearing **HB2743 HD2 SD1 RELATING TO WASTEWATER**

Hearing: Thursday April 4, 2024, 10:15 a.m., decision-making CR211

Aloha Chair Dela Cruz, Vice Chair Sharon Moriwaki, and Members of the Committee on Ways and Means:

The Hawai'i Reef and Ocean Coalition (HIROC) is a group of scientists, educators, filmmakers and environmental advocates who have been working since 2017 to protect Hawaii's coral reefs and ocean.

The Hawai'i Reef and Ocean Coalition STRONGLY SUPPORTS HB2743 HD2 SD1!

Cesspool pollution is harming our precious coral reefs and public health! Hawai'i has over 80,000 cesspools that release about 53 million gallons of raw sewage into our groundwater, streams and ocean every single day! This discharge **exposes people to sewage pathogens that can make them sick**. The release of **nutrients** from cesspools through groundwater and streams into the ocean causes algae growth, which can smother the coral reefs that are essential to protecting our

shorelines, nurturing our fisheries, preserving water quality, and enabling our lucrative recreational economy. Sea level rise will further exacerbate the public health and environmental problems, as it will cause more cesspools to overflow onto the surface. **Hawaii's coral reefs will die in warmer, more acidic, and rising oceans if we don't reduce cesspool pollution!**

Hawaii's counties by law have the power over matters of sanitation and sewers but have not developed comprehensive plans for sewer construction and expansion that could eliminate many cesspools by 2050. This bill would have the University of Hawai'i Water Resources Research Center and Sea Grant College prepare an overlay with the UH 2022 Hazard Assessment and Prioritization Tool to provide the counties with information on where sewers could most feasibly be expanded or constructed to reduce or eliminate cesspools before 2050.

Among other benefits, such planning can help cesspool owners know whether their cesspools will be connected to a sewer (centralized or decentralized) or they will need an upgraded on-site wastewater system, since the law requires all cesspools to be connected to a sewer, converted, or upgraded before 2050.

This bill authorizes the counties to designate specific areas as sewer improvement districts. The bill would also make explicit the counties' authority to assess cesspool pollution fees on cesspool owners and use the revenue or other revenue such as property tax revenue designated for the cesspool closure and mitigation special fund to eliminate, reduce, or mitigate the impacts of cesspools, including the issuance of grants and low interest loans. Funding to assist cesspool owners will be essential; the costs are very high for either sewerage or upgrading on-site systems.

This bill takes necessary steps forward to tackling Hawaii's massive cesspool pollution by:

- 1. Having the University of Hawai'i Water Resources Research Center and Sea Grant College prepare an overlay with the UH 2022 Hazard Assessment and Prioritization Tool to provide the counties with information on where sewers could most feasibly be expanded or constructed to reduce or eliminate cesspools before 2050;**
- 2. Authorizing the counties to designate specific areas as sewer improvement districts; and**

3. Explicitly authorizing funding at the county level, with flexibility for the counties to implement, and issue grants and low interest loans to assist cesspool owners.

Please pass this bill!

Mahalo!

Hawai'i Reef and Ocean Coalition (by Ted Bohlen)



April 2, 2024

In Support of **HB1892 HD2 SD1** Relating to the Environment
Senate Committee on Ways And Means (WAM)
Hearing on April 4, 10:15am, Rm. 211

Aloha, Chair Dela Cruz, Vice-Chair Moriwaki and Committee Members:

On behalf of the non-profit WAI: Wastewater Alternatives & Innovations and the Cesspool Legislative Task Force, I am writing in **strong support of HB2743 HD2**. This comprehensive bill would facilitate the counties working with the state Dept. Of Health (DOH) to come up with Wastewater Management Plans and maps, create a cesspool impact fee and use this funding to help with the cost of converting cesspools across the state. This bill includes the top recommendations of the State's Cesspool Conversion Working Group, on which I served from 2018-2022.

Under Act 125 (2017), all cesspools are mandated to be converted by 2050. To facilitate these cesspool conversions, this bill would encourage the counties to come up with Wastewater Management Plans and maps to see where sewer extensions may be available and to require conversions of cesspools in all other areas. To help finance these conversions, the bill gives the counties authority to charge fees on cesspools (exempting low-income folks). These funds would be used to help low-moderate income homeowners with the costs of conversions and to hire needed staff at DOH to oversee this process. Currently, cesspool owners are the only ones have NOT paid either sewer fees or the cost of upgrades for decades, while also polluting our groundwater.

Hawaii has more than 83,000 cesspools across the state, discharging 52 million gallons of raw sewage each day into Hawaii's waters. That's similar to a massive sewage spill every day! Along with threats to public health and drinking water resources, new research in *Nature* shows that this polluted wastewater poses significant harm to coral reefs and the near-shore environment (see also [my article in Hawaii Business Magazine](#)). The people of Hawaii need this law to make sure their wastewater systems aren't polluting the groundwater or nearby surface waters.

WAI is an environmental non-profit dedicated to protecting our drinking water, groundwater and near-shore ecosystems by reducing sewage pollution from cesspools. We offer more innovative, affordable, and eco-friendly solutions to wastewater management. Better sanitation systems reduce sewage and nutrient pollution and make properties more valuable, while also protecting public health and valuable natural resources like groundwater, streams, coral reefs and coastal areas.

Hawaii is struggling with serious sewage pollution problems, and the state has a mandate to make sure all cesspools are converted in the next three decades. This bill will provide the necessary planning, funding and cross-sector collaboration that is needed to convert cesspools across the state. Mahalo for your leadership on this issue and support of this bill.

Aloha,
Stuart Coleman
Stuart H. Coleman, Executive Director

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, New Cesspool Pollution Fee

BILL NUMBER: HB 2743 HD 2 SD 1

INTRODUCED BY: Senate Committees on Agriculture and Environment, Health and Human Services, and Government Operations

EXECUTIVE SUMMARY: Requires the University of Hawai'i Water Resources Research Center and the University of Hawai'i Sea Grant College Program to develop an overlay with the Hawai'i Cesspool Prioritization Tool to identify specific priority areas in which the county sewer system or other centralized treatment system could most feasibly be expanded or constructed to reduce or eliminate cesspools before 1/1/2050. Authorizes the counties to designate sewer improvement districts. Beginning July 1, 2025, authorizes the counties to assess a cesspool pollution fee on real properties containing a cesspool. Authorizes each county to establish a county cesspool closure and mitigation special fund. Authorizes the counties to use cesspool pollution fee revenues or other revenues, including real property tax revenues, for certain activities that eliminate, reduce, or mitigate the impacts of cesspools, including the expansion of county sewer systems and the issuance of grants and low-interest loans to property owners.

SYNOPSIS: The Foundation's testimony will be limited to Part B, section 342D-D, HRS, which creates a new cesspool pollution fee.

The bill proposes a new part to chapter 342D that would authorize the counties to assess a monthly, or otherwise, cesspool pollution fee on any real property that contains a cesspool. (Limits on the fees that were in prior versions of the bill were deleted.) Each county shall maintain on its website a schedule of cesspool pollution fees applicable to each class of property in the county. All fee revenue shall be deposited into the special fund established by the county pursuant to section 342D-E.

The counties would be responsible for collecting the fee and enforcing noncompliance.

Amends section 46-1.5, HRS, to implement the fee and associated special fund.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: We wonder whether it is wise to enact this new fee if responsibility for its enforcement is going to be foisted onto the counties. The last time the State tried to do the counties a favor by giving them a new revenue source was by Act 1, SLH 2021 (Special Session), which enacted the county transient accommodations tax. After the bill became law, the counties were forced to muddle through setting up the infrastructure to collect the tax and enforce compliance, as they thought they would be able to piggyback on the Department of Taxation's enforcement of the State TAT but soon found out that the Department of Taxation wouldn't be able to help them at all.

Re: HB 2743 HD 2 SD 1

Page 2

Some counties may be more ready than others to take on this type of new responsibility.

Digested: 4/2/2024

April 4, 2024

The Honorable Donovan M. Dela Cruz, Chair

Senate Committee on Ways and Means

State Capitol, Conference Room 211 & Videoconference

RE: House Bill 2743, HD2, SD1, Relating to Wastewater

HEARING: Thursday, April 4, 2024, at 10:15 a.m.

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 11,000 members. HAR provides **comments** on House Bill 2743 HD2, SD1, which requires the University of Hawai'i Water Resources Research Center and the University of Hawai'i Sea Grant College Program to develop an overlay with the Hawai'i Cesspool Prioritization Tool to identify specific priority areas in which the county sewer system or other centralized treatment system could most feasibly be expanded or constructed to reduce or eliminate cesspools before 1/1/2050. Authorizes the counties to designate sewer improvement districts. Beginning July 1, 2025, authorizes the counties to assess a cesspool pollution fee on real properties containing a cesspool. Authorizes each county to establish a county cesspool closure and mitigation special fund. Authorizes the counties to use cesspool pollution fee revenues or other revenues, including real property tax revenues, for certain activities that eliminate, reduce, or mitigate the impacts of cesspools, including the expansion of county sewer systems and the issuance of grants and low-interest loans to property owners. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation. Takes effect 7/1/3000.

HAR supports the intent of this bill particularly the issuance of grants and low-interest loans to property owners to be able to convert their cesspools; however, we have concerns with the latest amendments made in the previous committee that remove the cap on the cesspool pollution fee. The cap was previously set to no less than 50% and no more than 100% of the monthly sewage fee of the property. In general, we do not support increases in fees or costs for homeowners as the cost of living and the cost of housing is already so high in our State, but the cap at least helped to ensure that the cesspool fee could not be unreasonably high. Similarly, we also have concerns with the amendments that expand the counties' authority to expend real property tax revenues which could lead to increases in real property taxes for homeowners.

Instead, we note that counties could utilize federal sources of funding as well as tax increment financing ("TIF"). TIF entails issuing bonds with repayment from taxes generated by future rises in property values. This tool can also be used towards

infrastructure and development in regions with areas identified as high priority because infrastructure and the environmental impacts of cesspools are a community concern. Counties already have the power to issue bonds and should consider exploring this as well as federal sources of funding to assist residents with conversion and improve wastewater infrastructure in their jurisdictions. Building and maintaining wastewater systems is a community problem; therefore, wider sources of funding should be considered.

Homeowners will already be greatly burdened with the cost of converting 83,000 cesspools in the State. The Cesspool Conversion Working Group conducted an affordability analysis¹ for homeowners. Based on the analysis, 97% of homeowners would be financially burdened by cesspool conversion costs. Equally concerning, even with a \$10,000 rebate 82% of homeowners would still be financially burdened. Costs will vary greatly depending on resources, labor, permitting delays, property terrain, and other variables. Most homeowners will not be able to afford to do this alone and would need additional assistance to ensure they can meet the mandate to convert. As such, a large cesspool pollution fee and any increase in property taxes could add to the burdens of homeowners that need to convert their cesspools.

HAR supports the goal of protecting our water and ocean resources and recognize that cesspool conversion is important to preserve our environment. There are approximately 83,000 cesspools divided into three priorities² (48,596 on Hawaii Island; 14,300 on Kauai; 11,038 on Maui; 1,400 on Molokai; and 7,491 on Oahu) with only 26 years to meet the state's mandate to convert all cesspools to a Director of Health ("DOH") approved wastewater system. To convert 83,000 cesspools by 2050, at least 3,192 cesspools need to be converted per year which makes meeting the existing mandate very difficult. It is crucial that we properly plan and find ways to assist communities and homeowners as resources and manpower are limited, especially on the neighbor islands.

Mahalo for the opportunity to testify on this measure.

¹ Cesspool Conversion Working Group. (2022). *Final Report to the 2023 Regular Session Legislature*. State of Hawai'i Department of Health. <https://health.hawaii.gov/opppd/files/2022/12/Act-170-SLH-2019-Nov-2022.pdf>

² University of Hawai'i Sea Grant College Program. *Hawai'i Cesspool Prioritization Tool*. <https://seagrant.soest.hawaii.edu/cesspools-tool/>

LATE



HB2743 HD2 SD1

Aloha Honorable Members of the Committee,

On behalf of our thousands of supporters, we kindly ask you to **support HB2743 HD2 SD1.**

As the coral reefs surrounding Hawai'i face numerous threats due to human impact, we must be vigilant and proactive to ensure these vital ecosystems continue to survive.

We believe HB2743 HD2 SD1 will take much needed action to alleviate the significant pressure and degradation experienced by reefs and coastal areas due to septic and cesspool pollution. We strongly urge you to support this measure. The reefs and biodiversity that call these ecosystems home depend on it.

Natalie Parra
Co-Founder at Keiko Conservation
Campaign Director at Oceanic Preservation Society



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211
Thursday, April 4, 2024 AT 10:15 A.M.

To The Honorable Senator Donovan M. Dela Cruz, Chair
The Honorable Senator Sharon Y. Moriwaki, Vice Chair
Members of the committee on Ways and Means

SUPPORT HB2743 HD2 SD1 RELATING TO WASTEWATER

The Maui Chamber of Commerce **SUPPORTS HB2743 HD2 SD1.**

The Chamber notes that this bill is critical as wastewater treatment is important to our top priority, which is housing. We agree that each county should have a wastewater management plan and appreciate that this bill would allow counties to use existing plans if they are approved by the Department of Health.

We believe that the sooner cesspool owners convert to a less polluting wastewater system, the quicker our water systems (ground water & near shore water) can recover from potential seepage issues. There are elements of this bill we have supported in the past such as cesspool conversion, grants to perform those conversions, and prioritization of affected areas. This bill will help in moving housing forward and it should help streamline permitting.

We feel that this bill is another tool the toolbox to addressing critical infrastructure needed for housing.

For these reasons, we **SUPPORT HB2743 HD2 SD1.**

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-2743-SD-1

Submitted on: 4/2/2024 10:17:36 AM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------|--------------|--------------------|------------------------|
| Sophia Morgan | Individual | Support | Written Testimony Only |

Comments:

Aloha WAM Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

I write in **strong support of HB 2743.**

I am a third-year environmental law student at the University of Hawai‘i at Mānoa William S. Richardson School of Law, born and raised in Kailua, Hawaii. My education has informed my belief that converting cesspools quickly is of the utmost importance to the health, safety, and wellness of the people and natural environment of Hawai‘i. The sooner, the better.

HB 2743 authorizes counties to (1) develop and maintain a wastewater management plan, (2) identify priority areas where sewer systems should be expanded to reduce or eliminate cesspools, and (3) assess a monthly cesspool pollution fee to be used to eliminate, reduce, or mitigate the impacts of cesspools, including the expansion of sewer systems and issuing grants or low-interest loans to property owners.

Hawaii has more than 83,000 cesspools across the state, discharging 52 million gallons of raw sewage each day into Hawaii’s waters. That’s similar to a massive sewage spill every day. Around [half of these cesspools](#) pose a risk to water resources. Cesspool discharge directly impacts human health by contaminating drinking water or waters used for swimming, exposing the citizens of Hawai‘i to sewage pathogens. Untreated wastewater from cesspools [contains pathogens such as bacteria, protozoa and viruses](#) that can cause gastroenteritis, Hepatitis A, conjunctivitis, leptospirosis, salmonellosis and cholera.

Cesspools also pose a major threat to the environment. A [2023 Hawai‘i-based study published by Nature](#) found that septic and cesspool pollution is a major driver of coral reef decline. The release of nutrients from cesspools through groundwater and streams into the ocean causes algae growth, which can smother the coral reefs that are essential to protecting our shorelines, nurturing our fisheries, preserving water quality and enabling our lucrative recreational economy.

Cesspools are also a financial issue: this bill is my top priority not only because of cesspools’ significant threat to public health and the environment, but also because of the financial impacts contaminated water may have on our local economy. For example, the significant health risks of swimming in contaminated water could impact the tourism industry. Further reef decline will also affect tourism and fishing stock for local fishermen.

Mahalo nui loa for your time and consideration of my testimony!

Best regards, Sophia Morgan

HB-2743-SD-1

Submitted on: 4/2/2024 11:18:19 AM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Lois Langham | Individual | Support | Written Testimony Only |

Comments:

I support this bill.

HB-2743-SD-1

Submitted on: 4/2/2024 11:26:59 AM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Jay Henderson | Individual | Support | Written Testimony Only |

Comments:

I support HB2743. There is no better time than right now to start getting rid of cesspools. This bill will do so intelligently with minimal disruption and low coast and maximum efficiency.

HB-2743-SD-1

Submitted on: 4/2/2024 1:04:49 PM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Douglas Perrine | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Ways & Means Committee.

I believe that HB 2743 is one of the most important measures you should pass this session. It provides a framework to guide us out of the cesspool mess we are in so that the people of Hawaii can finally stop swimming in our own sewage. As the owner of a property with a Priority One cesspool, and as an ocean recreationist, I will be personally deeply affected by this legislation. I would suggest one minor amendment. In section 342-B "Sewer Improvement districts," in addition to the two criteria stated to define an SID, i.e. "1) Contains properties having cesspools; and (2) Is identified by the county as an area in which the county sewer system or other centralized treatment system will, before January 1, 2050, be expanded or constructed," I would add to part (2) the following (or similar language): "...or is identified by the county as an area which is suitable for the construction of a de-centralized treatment system serving multiple properties within the same area." I believe that localized neighborhood-scale small wastewater treatment systems are the future of Hawaii, and should not be delegitimized by failing to specifically include them in this very important authorization. Mahalo, Douglas Perrine

HB-2743-SD-1

Submitted on: 4/2/2024 6:32:29 PM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Mark Hixon | Individual | Support | Written Testimony Only |

Comments:

Aloha: As a professional marine biologist, I urge you to pass HB2743 HD2 SD1 and all bills designed to avert our cesspool disaster. The scientific reality is clear: If Hawai'i is to have healthy coral reefs that protect our coasts from sea-level rise and erosion, feed us, and provide us income, recreation, tourism, and spiritual connection, then we must curtail the leaching of cesspool pollution into our coastal ocean. There is no free lunch regarding this issue. If we don't invest in cleaning our coastal waters to save our reefs, our children and grandchildren will never forgive us. Mahalo--Mark Hixon (Honolulu)

HB-2743-SD-1

Submitted on: 4/2/2024 10:46:12 PM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Barbara Shimei | Individual | Support | Written Testimony Only |

Comments:

IN STRONG SUPPORT

This bill lays out the respective roles of the state and counties and fosters much-needed clarity and efficiency. We must accelerate the deadlines for conversion; time is not on our side. The cesspool pollution fee eliminates the financial incentive to avoid sewer fees and forces cesspool home owners to absorb at least part of the cost of the pollution their system creates. Using the fees to support further conversions makes the program at least partly self-funding.

Waiting only shifts the burden of our pollution onto our children and grandchildren. We need to fix it now.

HB-2743-SD-1

Submitted on: 4/3/2024 6:42:37 AM

Testimony for WAM on 4/4/2024 10:15:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Hilary Smith | Individual | Support | Written Testimony Only |

Comments:

I support this bill! Please use every tool available to help low and moderate income people convert their cesspools, and do the necessary research on sewer expansions.

REBECCA VILLEGAS
Council Member
District 7, Central Kona



PHONE: (808) 323-4267
FAX: (808) 323-4786
EMAIL: Rebecca.villegas@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

*West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740*

TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER

HAWAII COUNTY COUNCIL

ON HB 2743 HD2 SD1 RELATING TO WASTEWATER

House Committee on Ways and Means

April 3, 2024

Chairperson Delacruz and Members of the Committee:

My testimony is submitted in my individual capacity as a member of the Hawaii County Council.

I support HB2743 HD2 SD1, relating to wastewater. This legislation requires the counties to develop and maintain wastewater management plan and authorize each county to assess a monthly cesspool pollution fee to be used by the counties to help facilitate the conversion of the cesspools.

The conversion of cesspools across the state presents a significant financial burden to the counties and property owners. However, cesspools present a well-established threat to human health and the environment. The urgent need to start conversion can no longer be delayed. Bill HB 2743 HD2 SD1 represents a novel and fair system for everyone to contribute to a solution including individuals, the counties and the state and the proposed fee reflects the true cost burden of cesspools in our state. The requirement for counties to have a wastewater management plan ensures that there is a public process and clear guidelines and priorities for the use of these funds, particularly to help lower and moderate-income families convert their cesspools before any fees are assessed.

For these reasons stated above, I urge the House Committee on Ways and Means to support this measure. Should you have any questions, please contact me at, (808) 323-4267.

Mahalo for your consideration.

Hawai'i County is an Equal Opportunity Provider and Employer.



Rebecca Villegas
Council Member, Hawai'i County Council