JOSH GREEN, M.D. GOVERNOR STATE OF HAWAII Ke Kia'āina o ka Moku'āina 'o

SYLVIA J. LUKE LT. GOVERNOR STATE OF HAWAII Ka Hope Kia'āina o ka Moku'āina 'o Hawai'i



KALI WATSON CHAIRPERSON, HHO

KATIE L. LAMBERT DEPUTY TO THE CHAIR Ka Hope Luna Ho'okele

# STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

Ka 'Oihana 'Āina Ho 'opulapula Hawai 'i P. O. BOX 1879 HONOLULU, HAWAII 96805

# TESTIMONY OF KALI WATSON, CHAIR HAWAIIAN HOMES COMMISSION BEFORE THE SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES HEARING ON FEBRUARY 12, 2025 AT 1:00PM IN CR 225

#### SB 1504, RELATING TO CESSPOOLS

February 11, 2025

Aloha Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) <u>supports</u> this bill which 1) extends the sunset date of the Cesspool Compliance Pilot Grant Project to an unspecified date and 2) appropriates funds.

Approximately 2,500 cesspools exist on Hawaiian Home Lands and majority of which are ranked as priority level 1 or priority level 2 cesspools to be upgraded, converted, or connected to a sewerage system. DHHL understands the urgency to complete these conversions and connections before the year 2050. DHHL also understands that the Cesspool Compliance Pilot Grant Project will likely need more time beyond the sunset date to implement the plans and resources to meet the necessary deadlines before the year 2050.

DHHL supports funding to implement the Cesspool Compliance Pilot Grant Project that also serves lessees on Hawaiian Home Lands. DHHL understands that there is no simple, one method fits all ahupua'a (land division) solution toward addressing the cesspool conversion and wastewater needs of the State of Hawaii and we especially support funding to implement the cesspool compliance pilot grant program.

Thank you for your consideration of our testimony.

JOSH GREEN, M.D. GOVERNOR OF HAWAII KE KIA'ĀINA O KA MOKJ'ĀINA 'OHAWAI'I

7

8

9

10

11

12

13

14

15

16



KA 'OIHANA OLAKINO P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

# Testimony COMMENTING on SB1504 RELATING TO CESSPOOLS.

# SENATOR JOY A. SAN BUENAVENTURA, CHAIR SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

February 12, 2025; 1:00 pm; Room Number: 225

- 1 Fiscal Implications: The Department of Health ("Department") requests that this measure be
- 2 considered as a vehicle to provide this needed funding so long as it does not supplant the
- 3 priorities and requests outlined in the Governors executive budget request.
- 4 **Department Position:** The Department comments on this measure.
- 5 **Department Testimony:** The Environmental Management Division Wastewater Branch
- 6 (EMD-WWB) provides the following testimony on behalf of the Department.
  - The Department would be supportive of this proposed measure as long as either HB0749 or SB0675 are passed because three (3) additional full-time equivalent (3.0 FTE) positions within the Department's WWB are required to implement this cesspool compliance pilot grant project. The duties and responsibilities of the 3.0 FTE positions would include, but are not limited to: developing program and outreach material before the launch of the program (e.g., revised application, revised website, revised information flyers); conducting outreach with the public before the launch of the program; intaking questions via phone and email and responding with answers; intaking of applications; reviewing applications, tax returns, property ownership documents and files and determining eligibility; issuing eligibility letters; issuing waiting list emails; issuing denial emails; managing progress of projects and keeping

- applicants/grantees on schedule; intaking receipts, tax forms, and other financial documents;
- 2 drafting, routing, and issuing grant agreements; reviewing receipts, licensed engineers, licensed
- 3 contractor, licensed supply/equipment/materials companies; processing purchase orders for
- 4 payments to the grantees.
- 5 **Offered Amendments:** None.
- Thank you for the opportunity to testify on this measure.



February 12, 2025

## The Honorable Joy A. San Buenaventura, Chair

Senate Committee on Health and Human Services State Capitol, Conference Room 225 & Videoconference

**RE: Senate Bill 1504, Relating to Cesspools** 

**HEARING:** Wednesday, February 12, 2025, at 1:00 p.m.

Aloha Chair San Buenaventura, Vice Chair Aquino, 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 10,000 members. HAR **supports** Senate Bill 1504, which extends the sunset date of the Cesspool Compliance Pilot Grant Project to an unspecified date. Appropriates funds.

Hawai'i REALTORS® supports the goal of protecting our drinking water, streams, ground water, and ocean resources. We recognize that cesspool conversion is important to preserve our environment. There are approximately 83,000 cesspools divided into three priorities¹ across the State and to convert 83,000 cesspools by 2050, at least 3,192 cesspools would need to be converted per year. 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. Costs will vary greatly depending on resources, labor, permitting delays, property terrain, and other variables. According to the Cesspool Conversions Finance Research Report prepared for the Department of Health, "historical costs of cesspool upgrades to approved systems range widely from approximately \$9,000 to \$60,000 or more depending on the wastewater system capacity (based on bedroom count), technology, and location or site constraints."<sup>2</sup>

In 2022, the Legislature passed Act 153 to offer rebates of up to \$20,000 to help homeowners with the costs of conversion. Demand was so great that that \$5 million in grants ran out in just two weeks.<sup>3</sup> With the high demand of Act 153, HAR supports extending the sunset date and appropriating funds for the pilot grant project to help homeowners who are unable to afford converting without financial assistance.

<sup>&</sup>lt;sup>1</sup> University of Hawai'i Sea Grant College Program. *Hawai'i Cesspool Prioritization Tool.* https://seagrant.soest.hawaii.edu/cesspools-tool/

<sup>&</sup>lt;sup>2</sup> Carollo. (January 21, 2021). *Cesspool Conversion Finance Research Report.* https://health.hawaii.gov/wastewater/files/2021/02/financefinalreportr.pdf

<sup>&</sup>lt;sup>3</sup> Spectrum News Hawaii. (July 6, 2023). 83,000 Hawaii Homes Dispose of Sewage in Cesspools. Rising Sea Levels Will Make Them More of a Mess. <a href="mailto:spectrumlocalnews.com/hi/hawaii/news/2023/07/06/83-000-hawaii-homes-dispose-of-sewage-in-cesspools--rising-sea-levels-will-make-them-more-of-a-mess">spectrumlocalnews.com/hi/hawaii/news/2023/07/06/83-000-hawaii-homes-dispose-of-sewage-in-cesspools--rising-sea-levels-will-make-them-more-of-a-mess</a>





808-733-7060



1259 A'ala Street, Suite 300 Honolulu, HI 96817

HAR would also note that the grant money received would be considered income and homeowners would be taxed on that amount.

Mahalo for the opportunity to testify on this measure.



# **SB-1504**

Submitted on: 2/10/2025 12:24:30 PM

Testimony for HHS on 2/12/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
robin knox	Testifying for Water Quality Consulting, Inc.	Support	Written Testimony Only

#### Comments:

The elimination of cesspools is essential to protect the quality of our drinking water, streams, groundwater, and ocean water. Homeowners need financial assistance. Please continue to make this funding available to them.

Robin S. Knox, QEP, President

Water Quality Consulting, Inc.



# **SB-1504**

Submitted on: 2/11/2025 10:57:41 PM

Testimony for HHS on 2/12/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ted Bohlen	Testifying for Hawai'i Reef and Ocean Coalition	Support	Written Testimony Only

#### Comments:

Hawaii Reef and Ocean Coalition SUPPORTS SB1504!

**Please pass this bill** and extend the sunset date of the Cesspool Compliance Pilot Grant Project! The need for cesspool upgrade grants mandate by 2050 will continue for the foreseeable future. Mahalo!

## **SB-1504**

Submitted on: 2/8/2025 10:30:57 AM

Testimony for HHS on 2/12/2025 1:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

### Comments:

Without incentives, such as the grants funded by SB1504, Hawaii residents will not meet the deadline to convert our cesspools to sanitary wastewater treatment. Everyone's health outlook is improved by assisting those who need help to convert their cesspools. Please pass SB1504.