

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
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**Testimony COMMENTING on SB0958
RELATING TO CESSPOOLS**

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

SENATOR MIKE GABBARD, CHAIR
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

January 31, 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 offers comments on this measure.

5 **Department Testimony:** The Environmental Management Division, Wastewater Branch(EMD-
6 WWB) provides the following testimony on behalf of the Department.

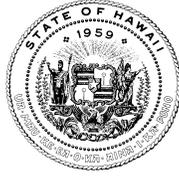
7 The Department will be unable to properly implement the cesspool compliance pilot
8 grant project established pursuant to Act 153, Session Laws of Hawai‘i 2022 without
9 establishing three (3) FTE positions within the Department, which would include two (2) full-
10 time equivalent (2.0 FTE) permanent engineer III positions and one (1) full-time equivalent (1.0
11 FTE) permanent accountant IV position.

12 **Offered Amendments:** None.

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

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

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



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

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 Hawaii'i

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEES ON HEALTH AND HUMAN SERVICES &
AGRICULTURE AND ENVIRONMENT
HEARING ON JANUARY 31, 2025 AT 1:00PM IN CR 225

SB 958, RELATING TO CESSPOOLS

January 30, 2025

Aloha Chairs San Buenaventura and Gabbard, Vice Chairs Aquino and Richards, and Members of the Committees:

The Department of Hawaiian Home Lands (DHHL) **supports** this bill which appropriates funds for the cesspool compliance pilot grant project.

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 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.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Co-Chairs:
Chair, DLNR
Director, OPSD

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawaii DP
Director, Kauai DP
The Adjutant General
Manager, CZM

**Testimony of
LEAH LARAMEE
Climate Change Coordinator on behalf of
Climate Change Mitigation and Adaptation Commission Co-Chair Mary Alice Evans and
Co-Chair Dawn N.S. Chang**

**Before the Senate Committees on
HEALTH AND HUMAN SERVICES
and
AGRICULTURE AND ENVIRONMENT**

**Friday, January 31, 2025
1:00 PM
State Capitol, Conference Room 225 & Videoconference**

**In consideration of
SENATE BILL 958
RELATING TO CESSPOOLS**

Senate Bill 958 appropriates funds for the cesspool compliance pilot grant project. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request and offers the following comments.**

The Commission consists of a multi-jurisdictional effort between 20 different departments, committees, and counties. Removal of cesspools for all properties within the Sea Level Rise Exposure Area (SLR-XA), is imperative to the health of nearshore waters and for members of the public accessing coastal resources. Removal may not be achievable by 2050 as directed by Act 125, Session Laws of Hawai'i 2017, without financing support for replacement. The Commission's 2022 update to the *Sea Level Rise Vulnerability and Adaptation Report* Recommended Action 6.4 counsels that the State should expand policy directives beyond the existing income tax credits and requirement for removal by 2050. Specifically, policy must address existing cesspools in the coastal zone in relation to enforcement of existing laws and regulations.

The Commission would like to note that the Department of Health Program is titled "Cesspool Pilot Grant Program (CPGP)" and respectfully recommends that the bill language be amended to reflect the appropriate program. This bill addresses equity issues around cesspool conversion by

providing financing for those that may not have the funding to make this significant investment. Cesspools on the shoreline and in the coastal zone will be an increasing source of nonpoint source pollution as groundwater rises and coastal erosion accelerates. This bill addresses the challenges many homes will have with converting cesspools by providing financing so that cesspool conversion can begin sooner and more equitably.

Mahalo for the opportunity to testify in support of this measure.



LATE

Jan., 30, 2025

In Support of **SB958 Relating to Cesspols**
Sen. Comm.'s on Health & Human Serv. (HHS) & Agricult. & Environment (AEN)
Hearing on Fri., Jan. 31, 2025, 1:00pm, CR225

Aloha, Chairs Buenaventura & Gabbard, Vice-Chairs Aquino & Richards, and Committee Members:

On behalf of the non-profit WAI: Wastewater Alternatives & Innovations, I am writing in **support of SB958**. This bill would expand on the successful pilot program under Act 153 to help eligible homeowners by providing grants of \$30,000 to help pay the cost of converting their cesspools. The bill would also add positions to the Department of Health to manage the program and appropriate funds.

Cesspool conversions can be costly, and we need to try to find ways to make upgrades more **affordable** while also making them **effective**. Under Act 125, all cesspools need to be converted by 2050, and the price of conversion is only getting more expensive with time. With prices ranging from \$25k to \$50k (depending on site conditions, soil types, etc.), the amount of these grants need to be raised from \$20k to \$30k to help homeowners in Priority Areas 1 & 2. Because many people can't afford the upfront costs or wait to be reimbursed, I would suggest that the rebates be done as grants that can be paid in installments so they can pay engineers and contractors.

Hawaii has more than 83,000 cesspools across the state, discharging 52 million gallons of raw sewage each day into Hawaii's waters. Along with threats to public health and drinking water resources, new research shows that polluted wastewater poses significant harm to coral reefs and the near-shore environment. The people of Hawaii need this law to make sure their wastewater systems aren't polluting the groundwater or nearby surface waters. Many places like Puako in Hawaii County and Ma'alaea in Maui have lost most of their coral reefs. Degraded reefs are not only bad for the environment, but they are bad for tourism, the economy and the protection of the Islands from storms, floods, hurricanes and tsunamis.

WAI is an environmental non-profit dedicated to protecting our water resources by reducing sewage pollution from cesspools. We support more innovative, affordable, and eco-friendly solutions to wastewater management. Better sanitation systems protect public health and valuable natural resources like groundwater, streams, coral reefs and coastal areas.

Hawaii is struggling with serious sewage pollution, and the state has a mandate to make sure all cesspools are converted in the next two decades. Mahalo for your leadership on this issue and support of this bill.

Aloha,

Stuart Coleman

Stuart H. Coleman, Executive Director



To: The Honorable Representative Mike Gabbard, Chair the Honorable Herbert M. “Tim” Richards, III, Vice Chair, and Members of the Committee on Agriculture and Environmental Protection.

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

Re: **Hearing SB958 RELATING TO CESSPOOLS**

Hearing: Friday January 31, 2025, 1:00 p.m. Rm. 224

Aloha Chair Gabbard, Vice Chair Richards, and Agriculture and Environment Committee Members:

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 HB879!

There are about 83,000 cesspools in Hawaii that are dumping about 50 million gallons every day into Hawaii's groundwater, drinking water, streams, and ocean and harming our coral reefs. By law (the mandate of section 342D-72, Hawaii Revised Statutes), all 83,000 cesspools must be upgraded to a system approved by the Department by 2050.

Cesspool upgrades are expensive. The cost depends on site-specific conditions, but the cost to convert a cesspool to a septic system or an aerobic treatment unit system is often over \$30,000. We need to try to find ways to **make upgrades more affordable** to homeowners and governments.

The Legislature has recognized that the requirement to upgrade or convert a cesspool imposes a financial burden on low- and moderate-income families. In Act 153, session laws of 2022, the legislature established in the department of health a pilot grant project to assist with conversion

costs for low- and moderate-income property owners, including lessees on Hawaiian home lands, located in an area identified as priority level 1 or 2 in the University of Hawaii's 2021 Hawaii cesspool hazard assessment and prioritization tool. Act 153 (2022) provided grants up to \$20,000 to qualifying low and moderate income homeowners. The demand was high for these grants and it was fully subscribed within weeks. The appropriation under Act 153 lapsed as of June 30, 2024.

At a time when many residents of Hawaii are struggling to make ends meet, our State has an excellent opportunity to **save some low and moderate income owners money by approving this grant program**. This bill would appropriate funding for grants under the program established in Act 153, session laws of 2022, to assist with conversion costs for certain low- and moderate-income property owners.

This bill increases the maximum grant to \$30,000 based on recent experience. The bill provides funding of \$5m per year in each of the next two fiscal years.

This bill would enable a sizable number of low and moderate income owners to upgrade their cesspools.

Please pass this bill to enable these low and moderate income owners to upgrade their cesspools!

Mahalo!

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

January 31, 2025

The Honorable Joy A. San Buenaventura, Chair

Senate Committee on Health and Human Services

The Honorable Mike Gabbard, Chair

Senate Committee on Agriculture and Environment
State Capitol, Conference Room 225 & Videoconference

RE: Senate Bill 958, Relating to Cesspools

HEARING: Friday, January 31, 2025, at 1:00 p.m.

Aloha Chair San Buenaventura, Chair Gabbard, and Members of the Joint Committees:

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 958, which appropriates funds for the cesspool compliance pilot grant project.

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."²

In 2022, the Legislature passed Act 153 to offer rebates of up to \$20,000 to help low or moderate-income homeowners with the costs of conversion. Demand was so great that that \$5 million in grants ran out in just two weeks.³ With the high demand

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

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

³ 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. 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



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of Act 153, HAR supports reestablishing a pilot grant project to help homeowners who are unable to afford to convert without assistance.

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-958

Submitted on: 1/28/2025 2:57:21 PM

Testimony for HHS on 1/31/2025 1:00:00 PM

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

Comments:

Please pass SB958 to fund grants for cesspool compliance. This is a proven way to accelerate conversion of cesspools to superior methods of wastewater handling. Mahalo.

SB-958

Submitted on: 1/28/2025 5:26:35 PM

Testimony for HHS on 1/31/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacqueline S. Ambrose	Individual	Support	Written Testimony Only

Comments:

YES to - Appropriates funds for the cesspool compliance pilot grant project.

SB-958

Submitted on: 1/29/2025 5:58:36 PM

Testimony for HHS on 1/31/2025 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andy Kagemoto	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs! This bill would help ease the financial burden for families in priority areas and help to preserve our precious groundwater, streams, and coastal ecosystems. Thank you very much for the opportunity to testify in support of SB958.