Testimony Presented Before the

House Committee on Energy & Environmental Protection
House Committee on Water & Land
Tuesday, February 13, 2024 at 9:05 a.m.

By

Darren T. Lerner, PhD
Director, University of Hawaiʻi (UH) Sea Grant College Program
School of Ocean and Earth Science and Technology
And

Thomas Giambelluca, PhD
Director, UH Water Resources Research Center
And
Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

HB 1898 - RELATING TO CESSPOOL CONVERSIONS

Chairs Lowen and Ichiyama, Vice Chairs Cochran and Poepoe, and Members of the Committees:

The University of Hawai'i Sea Grant College Program and UH Water Resources Research Center **support HB 1898**.

Cesspools are a major environmental and human health issue in this state, and the Cesspool Compliance Pilot Grant Project is an incredibly important tool for addressing the myriad of impacts of cesspools in Hawai'i. The financial burden of cesspool conversion makes it prohibitive for some individuals and families, so having a grant program that will provide funding makes the conversion process accessible to all. Increasing the funding amount and providing funding for two full time positions to assist with this program is a valuable first step in addressing the accessibility challenges of cesspool conversion. We hope to see the state increase the funding available, as well as the number of positions created to support this program and process in the future.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



STATE OF HAWAI'I 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:

Testimony in SUPPORT of HB1898 RELATING TO CESSPOOL CONVERSIONS

REPRESENTATIVE NICOLE E. LOWEN, CHAIR HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

REPRESENTATIVE LINDA ICHIYAMA, CHAIR HOUSE COMMITTEE ON WATER & LAND

Hearing Date: 2/13/2024 Room Number: 325

- 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 with comments this measure that amends
- 5 Act 153, Session Laws of Hawai'i 2022, to appropriate additional funds for the cesspool
- 6 compliance pilot grant program for fiscal year 2024-2025 and to establish positions to continue
- 7 to implement the pilot grant program.
- 8 The Department notes that increasing the grant amount may cause complications for and
- 9 issues with homeowners who received or will receive \$20,000 grants from the previous cesspool
- 10 compliance pilot grant program. Should the Legislature increase the grant amount to \$30,000,
- the Department respectfully requests an increase of \$10,000, as applicable or eligible, for each of
- the initial cesspool compliance pilot grant program recipients and participants.
- 13 **Offered Amendments:** The Department respectfully suggests the following revisions to the
- proposed HRS amendments. Additions appear as underlined and deletions appear as strikeouts.
- 15 SECTION 3 [sic], Page 2, lines 4-7: "(1) The cesspool is located in an area identified as
- priority level 1 or 2 in the University of Hawaii's 2022 Hawaii cesspool hazard assessment and
- 17 prioritization tool;"
- SECTION 3 [sic], Page 2, lines 14-19: "(f) The department of health shall grant awards
- not to exceed \$30,000\$20,000 based on receipts of payment submitted under subsection (e) (4);

1 provided that cesspools that have been upgraded or converted to a director of health-approved 2 wastewater system before the passing of this Act shall not be eligible for this grantJuly 1, 2022. 3 SECTION 3, Page 4, lines 1-7: "There is appropriated out of the general revenues of the 4 State of Hawaii the sum of \$151,000\\$249,000 or so much thereof as may be necessary for fiscal 5 year 2024-2025 for the establishment of twothree full-time equivalent (2.03.0 FTE) permanent 6 positions comprising one program specialistengineer V position and, one planner engineer IV 7 position, and one accountant IV position within the cesspool compliance pilot grant project 8 established by Act 153, Session Laws of Hawaii 2022." 9 SECTION 4, Page 4, lines 10-14: "There is appropriated out of the general revenues of 10 the State of Hawaii the sum of \$5,000,000\$5,249,000 or so much thereof as may be necessary for 11 fiscal year 2024-2025 for the cesspool compliance pilot grant project established by Act 153, 12 Session Laws of Hawaii 2022." 13 Thank you for the opportunity to testify.

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

Hulu Mamo Hawaiian Civic Club stands in support of HB1898.

Hulu Mamo Hawaiian Civic Club appreciates this grant program and the fact that this allows DHHL lessees, especially those with a household income of less than 140% AMI, helping those that really need the funds to have be able to convert their cesspools into something more environmentally friendly.

We do also want to note that while this grant program does help those in need, it still misses one critical component, those who can't afford to cover the initial costs of the cesspool conversion and wait to be reimbursed. Many in Hawaii are living paycheck-to-paycheck and are not able to cover an extra \$20,000-\$30,000 in expenses and still have money to put food on the table, especially a family below 140% of AMI.

Hulu Mamo HCC suggests an amendment to allow the program to provide a qualifying note that can be provided to the contractor to show that the applicant qualifies for the grant, and that note can be used by the engineer and contractors to execute on the work and receive payment via the grant when the work is completed. This would allow someone without the means to pay for the cost of the work upfront to get the conversion work done.

This idea is supported by the Association of Hawaiian Civic Clubs and would help many families convert their cesspool, even though they don't have the means to do so by utilizing the grant funds.

Attached is the resolution supporting this idea, passed by the Association of Hawaiian Civic Clubs on October 21, 2023 at their annual convention in Kālia, Waikīkī, Oʻahu.

Mahalo nui loa for your time and consideration.

Keoni Shizuma President, Hulu Mamo Hawaiian Civic Club

ASSOCIATION OF HAWAIIAN CIVIC CLUBS

A RESOLUTION

NO 2023 - 36

URGING THE STATE OF HAWAI'I TO CREATE A GRANT PROGRAM THAT WORKS DIRECTLY WITH CESSPOOL CONVERSION CONTRACTORS TO HELP COVER THE COST OF THE REQUIRED CESSPOOL CONVERSIONS UPFRONT FOR THOSE IN POVERTY IN RURAL COMMUNITIES

WHEREAS, the health of Hawai'i's people and quality of Hawai'i's waters are being harmed by pollution from cesspools, in which Hawai'i has more than 80,000 that discharge approximately 50 million gallons of wastewater every day; and

WHEREAS, cesspools are antiquated substandard systems that damage public health pollute drinking water and lower quality water quality in streams, groundwater, nearshore marine areas, and the ocean, where cesspool pollution also harms public recreation and the precious coral reefs on Hawai'i's shoreline, fisheries, and native species; and

WHEREAS, an article from The Maui News from July 2023 stated that 20% of Hawaii's cesspools are less than 0.6 miles from the shoreline, which is threatened by increasing sea level rise and could cause bacteria from cesspools to enter into the ocean; and

WHEREAS, in 2017, the Hawai'i State Legislature required that all cesspools be upgraded to a septic system or aerobic treatment unit are connected to a sewage system by 2050 and directed the State of Hawai'i Department of Health to develop a system to prioritize the upgrade conversion or connection of cesspools based on their impact on public health; and

WHEREAS, there are approximately 83,000 cesspools across the state, many located in rural areas where county sewage lines do not reach properties; and

WHEREAS, according to the Economic Research Service data in 2020, poverty in rural areas of Hawaii where cesspools are more prevalent are much higher than in urban areas of the state where access to county sewage lines are more available (11.6% vs. 8.2%); and

WHEREAS, according to an Anthology Research survey conducted between July and Sept 2022, there was a sharp increase in the number of households pushed below the poverty line (15% in 2022 vs. 9% in 2018); and

WHEREAS, in 2019, the U.S. Census Bureau reported that 14.8% of Native Hawaiians/Pacific Islanders were living at the poverty level; and

WHEREAS, cesspool conversions can cost \$20,000 to \$50,000 per property, depending on the property and other factors; and

WHEREAS, the high cost of living in Hawai'i has already driven many Native Hawaiians to leave Hawai'i, and the cost of a required cesspool conversion could force a family to move from Hawai'i to the continent due to the high costs; and

WHEREAS, in March 2023, the State offered \$5 million in grants of up to \$20,000 in reimbursements to help property owners convert their cesspools, which ran out in two weeks; and

WHEREAS, reimbursements and tax refund programs are beneficial to those who can afford to pay for the cesspool remediation work upfront and be reimbursed after the work is completed; and

WHEREAS, the creation of a grant program that works directly between the state and cesspool conversion contractors, to help cover the costs of the work to convert a cesspool before the work is done, for those in poverty that need it most, would be beneficial to many Native Hawaiian families in rural communities.

NOW, THEREFORE, BE IT RESOLVED, by the Association of Hawaiian Civic Clubs at its 64th Annual Convention in Kālia, Waikīkī, Oʻahu, in the malama of ʻIkuā and the rising of ʻOlekūkolu, this 21st day of October 2023, urging the State of Hawaiʻi to create a grant program that works directly with cesspool conversion contractors to help cover the cost of the required cesspool conversions upfront for those in poverty in rural communities; and

BE IT FURTHER RESOLVED, that a certified copy of this resolution be transmitted to the Governor of the State of Hawai'i, President of the State Senate, Speaker of the State House of Representatives, Chair of the State Senate subject matter committee on Hawaiian Affairs, Chair of the State House subject matter committee on Hawaiian Affairs, Chair of the Board of Trustees of the Office of Hawaiian Affairs, and all County Mayors.



The undersigned hereby certifies that the foregoing Resolution was duly adopted in the malama of 'Ikuā and the rising of 'Olekūkolu, on the 21st day of October 2023, at the 64th Annual Convention of the Association of Hawaiian Civic Clubs in Kālia, Waikīkī.

Quanahee Kalli

DreanaLee Kalili, President



To: The Honorable Chairs Nicole Lowen, and Linda Ichiyama, the Honorable Vice Chairs Elle Cochran and Mahina Poepoe, and Members of the Committees on Energy and Environmental Protection and Water and Land.

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

Re: Hearing HB1898 RELATING TO CESSPOOL CONVERSIONS

Hearing: Tuesday February 13, 2024 9:05 a.m.

Aloha Chairs Lowen and Ichiyama, Vice Chairs Cochran and Poepoe, and Members of the Committees on Energy and Environmental Protection and Water and Land:

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. Hawai'i has over 80,000 cesspools that discharge about 50 million gallons of raw sewage into our groundwater every day! HIROC is deeply concerned about the impact the state's cesspools have on Hawaii's marine life, especially coral reefs.

The Hawai'i Reef and Ocean Coalition STRONGLY SUPPORTS HB1898!

Financial assistance is needed to assist homeowners in upgrading their cesspools.

Under Act 153, Session Laws of Hawaii 2022, there has been a pilot cesspool compliance project to assist property owners, including lessees on Hawaiian Homelands, with upgrading, converting, or connecting a cesspool. Grants have been up to \$20,000, available on a first-come, first-served basis to assist low-moderate income homeowners with the costs of converting a cesspool in a Priority 1 or 2 area.

This bill would establish and fund two positions to assist the Department in implementing the ACT 153 low income grant assistance project. This appears to overlap somewhat with HB1893. Part III of HB1892 also appropriates funds for grants, but not for DOH staffing positions.

This bill's changes are needed given that the Department of Health needs staffing to implement the project.

Please pass this bill!

Mahalo!

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





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

February 13, 2024

The Honorable Nicole E. Lowen, Chair

House Committee on Energy & Environmental Protection

The Honorable Linda Ichiyama, Chair

House Committee on Water & Land State Capitol, Conference Room 325 & Videoconference

RE: House Bill 1893, Relating to Cesspool Conversions HEARING: Tuesday, February 13, 2024, at 9:05 a.m.

Aloha Chair Lowen, Chair Ichiyama, 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 Hawai'i and its over 11,000 members. HAR supports House Bill 1898, which establishes and appropriates funds for two full-time positions to implement the Cesspool Compliance Pilot Grant Project established by Act 153, SLH 2022, and makes an appropriation for the project for FY 2024-2025. Declares that the general fund expenditure ceiling is exceeded.

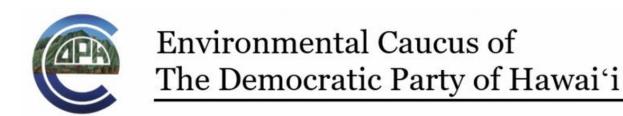
Hawai'i Association of REALTORS® supports the goal of protecting our drinking water, streams, ground water, and ocean resources. We recognize that cesspool conversion is important to preserve our environment. There are approximately 83,000 cesspools divided into three priorities¹ across the State and 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.

In 2022, Act 153 offered rebates of \$20,000 to help homeowners with the costs of conversion. Demand was so great that that the \$5 million in grants ran out in just two weeks.² Due to the high demand, HAR supports reestablishing the grant project to help homeowners unable to afford to convert without assistance. Moreover, additional staff for the DOH could streamline the application process and provide much needed assistance to homeowners navigating the complexities of grant applications and conversions.

Mahalo for the opportunity to testify on this measure.

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

² 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/2023/07/06/83-000hawaii-homes-dispose-of-sewage-in-cesspools--rising-sea-levels-will-make-them-more-of-a-mess



February 13, 2024

To: House Committee on Energy and Environmental Protection

Hon. Nicole E. Lowen, Chair Hon. Elle Cochran, Vice Chair

House Committee on Water and Land

Hon. Linda Ichiyama, Chair Hon. Mahina Poepoe, Vice Chair

Re: HB 1898 relating to CESSPOOL CONVERSIONS

Hearing: Tuesday, February 13, 2024, 9:05 a.m., Room 325 & videoconference

Position: <u>Strong support</u>

Aloha, Chairs Lowen and Ishiyama, Vice Chairs Cochran and Poepoe, and Members of the Committee on Energy and Environmental Protection and Committee on Water and Land:

The Environmental Caucus of the Democratic Party of Hawai'i, which has over 7,500 active members statewide, strongly supports SB 2360 because conversions of the State's 83,000 cesspools are long overdue.

HB 1898 establishes and appropriates funds for two full-time positions to implement the Cesspool Compliance Pilot Grant Project established by Act 153, SLH 2022, and makes an appropriation for the project for FY 2024-2025. It declares that the general fund expenditure ceiling is exceeded.

Marine scientists have advised us that the coral reefs will die before 2050 if the bombardment of pollution by cesspools on them is not abated before then. We have run out of time. The public has taken advantage of the generous lead time previously provided by the law to remediate the cesspool pollution problem, and basically, they have done nothing. Now, we must catch up by accelerating the process.

Hawaii faces significant environmental challenges due to its approximately 83,000 cesspools, which is more than any other U.S. state. There are severe and oftentimes irreversible dangers associated with cesspools:

1. Groundwater Contamination. Cesspools are untreated and contain pathogens, bacteria, and viruses that can spread diseases. The effluent from cesspools also contains nutrients like nitrogen and phosphorus. When these pollutants infiltrate the groundwater, they can harm the sensitive ecosystems of Hawaii, including

nearshore coral reefs as we have seen in the deterioration of the once pristine Kaneohe Bay, once the home of many ancient Hawaiian fishponds, such the He'eia Fishpond, dating back 800 years.

Kahalu`u Fishpond: Historically known as Kohouna Fishpond on Kane`ohe Bay is one of only four surviving ancient Hawaiian fishponds on O`ahu that are still in use today. At one point in time, there were around 100 fishponds around the island.

- 2. Coastal Impact: Many of these cesspools are located close to the shoreline. Rising sea levels due to climate change are eroding Hawaii's coast near homes with cesspools. As the island's groundwater rises, it allows the cesspool effluent to mix with the water tale and flow into the ocean. Coastal erosion can remove sand surrounding cesspools, pulling sewage out to sea. Inland cesspools near aquifers can also contaminate groundwater, affecting springs beaches, and the ocean.
- 3. Coral Reef Damage. The toxic mixture of waste, pharmaceuticals, and other contaminants from cesspools seep into the groundwater and often ends up in the ocean. These harms nearshore coral reefs and can sicken swimmers. Hawai'i's coral reefs are essential for the economy, shoreline protection, recreation, fisheries, and native species, making cesspool pollution a critical concern.

While efforts are underway to address these issues, the task of removing all cesspools by 2050 is daunting, costly, and way too late. Measures must be taken much earlier to preserve and let the environment recover from the pollution damage that it has already sustained. This bill will assist in the recovery of the environment.

It is also crucial to find sustainable solutions to protect Hawai`i's environment and public health. Some approaches to protect the environment and public health include:

1. Community Efforts:

- **a.** Education and Outreach: Raise awareness about the impact of cesspools on water quality, coral reefs, and health. Encourage responsible wastewater management practices.
- **b.** Community-Based Solutions: Engage local communities in finding solutions. Community-led initiatives can drive change and promote sustainable practices.

2. Wastewater Treatment Upgrades:

- **a. Replace Cesspools**: Gradually phase out cesspools by replacing them with modern wastewater treatment systems. These systems treat sewage more effectively, removing harmful pathogens and pollutants before discharge.
- **b. Septic System Improvements**. For areas where cesspool replacement is challenging, upgrade existing septic systems to meet higher standards. Regula maintenance and proper sizing are essential.

3. Advanced On-Site Systems:

a. **Aerobic Treatment Units (ATUs)**: These compact systems use oxygen to break down organic matter, producing cleaner effluent. ATUs can be a viable alternative to cesspools.

b. **Constructed Wetlands**: Create natural wetland areas that filter and treat wastewater. Wetland plants absorb nutrients and purify water, benefiting both the environment and public health.

4. Incentives and Regulations:

- **a. Financial Incentives:** Offer financial assistance or tax breaks to homeowners who voluntarily upgrade their wastewater systems. Encourage adoption of ecofriendly alternatives.
- **b. Stricter Regulations:** Enforce regulations that limit new cesspool installations and encourage transition to better systems. Regular inspection can ensure compliance.

5. Ocean-Friendly Practices:

- **a.** Ocean Outfalls: Consider ocean outfalls for treated wastewater. Properly designed and monitored outfalls can disperse treated effluent far from sensitive coastal areas.
- **b. Reef-Friendly Products**: Promote the use of reef-safe cleaning products and discourage harmful chemicals that can end up in cesspools.

Establishing and appropriating funds for two full-time positions to implement the Cesspool Compliance Pilot Grant Project established by Act 153, SLH 2022; making an appropriation for the project for FY 2024-2025, and declaring that the general fund expenditure ceiling is exceeded are significant steps toward Hawai`i safeguarding its unique environment and the well-being of its residents by assisting in and mandating cesspool conversions.

Thank you for the opportunity to testify on this very important measure.

Melodie Aduja legislativepriorities@gmail.com

Alan B. Burdick burdick808@gmail.com

Co-Chairs,

Environmental Caucus of the Democratic Party of Hawai'i

HB-1898

Submitted on: 2/1/2024 2:00:33 PM

Testimony for EEP on 2/13/2024 9:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford- Faborito	Individual	Support	Written Testimony Only

Comments:

Strong support, much needed for aging homes on molokai on DHHL the original homesteads since 1921

HB-1898

Submitted on: 2/2/2024 2:04:46 PM

Testimony for EEP on 2/13/2024 9:05:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Best	Individual	Support	Written Testimony Only

Comments:

Personnel are needed to implement the Cesspool Compliance Pilot Grant Project.



STATE OF HAWAI'I HAWAI'I CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

> **Testimony of Leah Laramee**

Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the House Committees on ENERGY & ENVIRONMENTAL PROTECTION AND COMMITTEE ON WATER & LAND

Tuesday February 13, 2024 9:05 AM State Capitol, Via Videoconference, Conference Room 325

In support of **House Bill 1898** RELATING TO CESSPOOL CONVERSIONS

House Bill 1898 establishes and appropriates funds for two full-time positions to implement the Cesspool Compliance Pilot Grant Project established by Act 153, Session Laws of Hawai'i 2022, and makes an appropriation for the project for FY 2024-2025. This bill also declares that the general fund expenditure ceiling is exceeded. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure.

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 state law without viable alternatives for replacement. 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. 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. Funding for the conversion of cesspools of any kind would ensure a more resilient future and safer reefs and waters for kama'āina and visitors alike.

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

Co-Chairs:

Chair, DLNR Director, OPSD

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, Hawai'i DP Director, Kaua'i DP The Adjutant General

Manager, CZM