BONNIE KAHAKUI ACTING ADMINISTRATOR



STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Tel: (808) 586-0554 email: <u>state.procurement.office@hawaii.gov</u> <u>http://spo.hawaii.gov</u>

TESTIMONY OF BONNIE KAHAKUI, ACTING ADMINISTRATOR STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM January 30, 2024. 1:00 PM

> SENATE BILL 2498 RELATING TO FINANCING

Chair Gabbard, Chair DeCoite, Vice Chair Richards, Vice Chair Wakai, and members of the committees, thank you for the opportunity to submit testimony on Senate Bill 2498. The State Procurement Office (SPO) opposes the exemption language set forth below:

Section 3, Page 10, lines 1 to 3:

"(5) Enter into contracts for the administration of the loan program, without necessity of complying with chapter 103D;"

Section 3, Page 12, line 10 to 11:

"(9) Enter into contracts for the administration of the loan fund program exempt from 103D;"

Section 3, Page 14, lines 8 to 9:

"(6) Enter into contracts for the administration of the loan fund program exempt from 103D;"

The SPO objects to the procurement exemption and testifies that contracts for the programs should be competitively procured.

Chapter 103D, Hawaii Revised Statues, Hawaii Public Procurement Code (Code), is the State's single source of public procurement policy to be applied equally and uniformly, while providing fairness, open competition, a level playing field, government disclosure, and transparency in the procurement and contracting process vital to good government.

Public procurement's primary objective is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion, or fraud in awarding of contracts. To legislate that any one entity should be exempt from compliance with both Chapter 103D and 103F, HRS, conveys a sense of disproportionate equality in the law's application.

JOSH B. GREEN, M.D. GOVERNOR KE KIA'ĂINA Senate Bill 2498 Senate Committee on Agriculture and Environment Senate Committee on Energy, Economic Development, and Tourism January 30, 2024 Page 2

Exemptions to the Code mean that all procurements made with taxpayer monies will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the code. It means that there is no requirement for due diligence, proper planning, or consideration of protections for the state in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. As such, Agencies can choose whether to compete any procurement or go directly to one contractor. As a result, leveraging economies of scale and cost savings efficiencies found in the consistent application of the procurement code are lost. It also means Agencies are not required to adhere to the code's procurement integrity laws.

The National Association of State Procurement Officials states that "Businesses suffer when there is inconsistency in procurement laws and regulations. Complex, arcane procurement rules of numerous jurisdictions discourage competition by raising the costs to businesses to understand and comply with these different rules. Higher costs are recovered through the prices offered by a smaller pool of competitors, resulting in unnecessarily inflated costs to state and local governments."

When public bodies are removed from the Hawaii Public Procurement Code, it results in the harm described above. As these entities create their own procurement rules, businesses are forced to track their various practices. Moreover, a public body often can no longer achieve the benefits of aggregation by using another public body's contract because different state laws and regulations may apply to the various public bodies making compliance more difficult.

Each year new procurement laws are applied to state agencies causing state agency contracts to become more complex and costly, while other public bodies, such as agencies with strong legislative influence, are exempted. Relieving some public bodies from some laws by exempting or excluding them from compliance with a common set of legal requirements creates an imbalance wherein the competitive environment becomes different among the various jurisdictions and the entire procurement process becomes less efficient and costlier for the state and vendors.

SPO recommends that all contracts comply with the Hawaii Procurement Code as revised below:

Section 3, Page 10, lines 1 to 3:

"(5) Enter into contracts for the administration of the loan program, without necessity of complying with chapter 103D;"

Section 3, Page 12, line 10 to 11:

"(9) Enter into contracts for the administration of the loan fund program exempt from in compliance with 103D;"

Section 3, Page 14, lines 8 to 9:

"(6) Enter into contracts for the administration of the loan fund program exempt from in compliance with 103D;"

Thank you.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LT GOVERNOR



Hawaii Green Infrastructure Authority

An Agency of the State of Hawaii

JAMES KUNANE TOKIOKA CHAIR

GWEN S YAMAMOTO LAU EXECUTIVE DIRECTOR

Testimony of Gwen Yamamoto Lau Executive Director Hawai'i Green Infrastructure Authority before the SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT And SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM Tuesday, January 30, 2024, 1:00 PM State Capitol, Conference Room 229 in consideration of Senate Bill No. 2498 RELATING TO FINANCING

Chairs Gabbard and DeCoite, Vice Chairs Richard and Wakai, and Members of the Committees:

Thank you for the opportunity to testify on SB2498, relating to financing. The Hawai'i Green Infrastructure Authority (HGIA) **strongly supports** this bill which establishes a cesspool conversion revolving loan fund.

Estimated to cost between \$3.0 to \$4.0 billion¹, converting some 83,000 cesspools to Department of Health approved septic systems or to connect to new or existing wastewater systems by 2050, will require a suite of financing tools including but not limited to grants, tax credits, conventional loans and non-traditional loans.

SB2498 proposes to provide non-traditional low-cost loans, which may be paired with grants or other incentives, to low and moderate-income homeowners. Repurposing principal repaid by borrowers under the Green Energy Market Securitization (GEMS) funded loan program, will provide a steady source of non-general funded capital for the cesspool conversion revolving loan fund, as GEMS loans are repaid over a 20-year period. Capitalization of the cesspool conversion revolving loan fund sources.

Based on the appetite of our local lenders, the Authority may leverage these funds with conventional loan capital, by providing credit enhancements to reduce risks for banks

¹ Hawaii Economic Association, "The Economics of Eliminating Cesspools in Hawaii"

and credit unions, to further expand access to cesspool conversion financing to "nearbankable" borrowers.

With this bill enabling the Authority to retain its earned interest income under the GEMS financing program, the Legislature need not fund the full-time equivalent program management loan officer position with general funds. This position can instead be funded through the interest revenue earned by the Authority.

Thank you for this opportunity to provide comments and testify in strong support of SB2498.



STATE OF HAWAI'I

HAWAI'I 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, DOH Director, DBEDT Director, DBEDT Director, DOH Chairperson, DOE Director, C+C DPP Director, Hawai'i DP Director, Hawai'i DP The Adjutant General Manager, CZM

Testimony of Leah Laramee Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the Senate Committees on AGRICULTURE AND THE ENVIRONMENT And ENERGY, ECONOMIC DEVELOPMENT AND TOURISM

Tuesday January 30, 2024 1:00 PM State Capitol, Via Videoconference, Conference Room 229

In support of SENATE Bill 2498 RELATING TO FINANACING

Senate Bill 2498 establishes the Cesspool Conversion Revolving Loan Fund and directs green energy market securitization loan repayments and interest to be deposited into the Cesspool Conversion Revolving Loan Fund. The bill requires the Hawai'i Green Infrastructure Authority to administer the Cesspool Conversion Revolving Loan Fund. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission)** <u>supports</u> this measure.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multijurisdictional 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. 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.

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

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



KENNETH S. FINK, MD, MGA, MPH DIRECTOR OF HEALTH KA LUNA HO'OKELE

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

Testimony COMMENTING on SB2498 RELATING TO FINANCING

SENATOR MIKE GABBARD, CHAIR SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

SENATOR LYNN DECOITE, CHAIR SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM Hearing Date: 1/30/2024 Room Number: 229

1 Fiscal Implications: None.

2 **Department Testimony:** The Department acknowledges the intent of this measure to encourage 3 the acceleration of cesspool conversions and allow the Hawai'i green infrastructure authority to 4 retain earned interest to cover its operating expenses while repurposing the repaid principal of 5 green energy market securitization (GEMS) funded solar loans to fund a cesspool conversion 6 revolving loan fund would create a long-term source of capital that, when combined with federal 7 funds, serves a necessary public purpose and respectfully submits the following comments. 8 It is our understanding that chapter 196, Hawai'i Revised Statutes will be amended. 9 Amendments to section 196-64 will describe the functions, powers, and duties of the Hawai'i 10 green infrastructure authority. Amendments to section 196-65 will establish the cesspool 11 conversion revolving fund in the Hawai'i green infrastructure special fund that shall be 12 administered by the Hawai'i green infrastructure authority. Amendments to section 196-65.5 13 will administer the revolving loan fund. Additional amendments to section 196- will administer 14 the cesspool conversion revolving loan fund. 15 For clarification, the amendments to chapter 196, Hawai'i Revised Statutes may

16 reference chapter 342D, but not implement and administer the cesspool conversion revolving

17 fund loan program with funding available under chapter 342D-83, provided by the department of

In reply, please refer to: File: health on an annual basis through a memorandum of agreement and expend funds appropriated
to the department for purposes authorized by the legislature.

Offered Amendments: The Department respectfully suggests the following revisions to
the proposed HRS amendments. Additions appear as underlined and deletions appear as
strikeouts.

6 SECTION 3 (e)(2), Page 13, lines 12-17: "Implement and administer the loan program

7 with funding available under chapter 342D-83, provided by the department of health on an

8 annual basis through a memorandum of agreement and expend funds appropriated to the

9 department for purposes authorized by the legislature<u>Reference as an example the loan program</u>

10 under chapter 342D-83, provided by the department of health."

11 Thank you for the opportunity to testify.

TESTIMONY OF LEODOLOFF R. ASUNCION, JR. CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII

TO THE SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT AND ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

January 30, 2024 1:00 p.m.

Chairs Gabbard and DeCoite, Vice Chairs Richards and Wakai, and Members of the Committees:

MEASURE: S.B. No. 2498 TITLE: RELATING TO FINANCING.

DESCRIPTION: Establishes the Cesspool Conversion Revolving Loan Fund and directs green energy market securitization loan repayments and interest to be deposited into the Cesspool Conversion Revolving Loan Fund. Requires the Hawaii Green Infrastructure Authority to administer the Cesspool Conversion Revolving Loan Fund. Requires a report to the Legislature. Makes an appropriation.

POSITION:

The Public Utilities Commission ("Commission") supports the intent of this measure and offers the following comments for consideration.

COMMENTS:

The Commission appreciates the intent of this bill to serve the public interest through establishment of a cesspool conversion revolving loan program to be administered by the Hawaii Green Infrastructure Authority (HGIA). The Commission notes the severity of the problem created by cesspools and the need for financing to support their conversion.

The Commission is charged with establishing and reporting on the achievement of the statewide energy efficiency portfolio standard (EEPS) goal, pursuant to HRS § 269-96.

S.B. No. 2498 Page 2

The Commission's Public Benefits Fee Administrator (or PBFA, also known as Hawaii Energy) was statutorily established through HRS § 269-121 through § 269-124 and has been the primary contributor to achieving our state's EEPS target. Hawaii Energy, a nationally recognized energy efficiency implementer, has been successfully delivering energy-reducing and cost-saving programs and services to Hawaii's residents and businesses since its inception nearly 15 years ago, and is funded through a public benefits fee (PBF) surcharge to Hawaiian Electric ratepayers.

The Hawaii Green Infrastructure Authority, and associated GEMS loan program, were founded through Act 211 in the 2013 Hawaii State Legislature and is established in statute via HRS § 196-61 through § 196-70 and in the Commission's oversight via HRS § 269-161 through § 269-176. The GEMS program is financed through a ratepayer-funded Green Infrastructure Fee (GIF), which was approved by the Commission in 2014 as a reduction to the PBF collections (also known as PBF offset) in order to minimize bill impact to Hawaii's ratepayers. Beginning in 2014, the annual GIF collection amount (and associated PBF reduction) has been approximately \$13.5 million per year and will continue through January 2029. To date, the PBF reduction amount is approximately \$117 million, of which HGIA has repaid approximately \$16 million.

The Commission recognizes the success of Hawaii Green Infrastructure Authority's oversight of the GEMS loan program since its establishment in 2014, and particularly its achievement in the last seven years during which time it deployed over 80% of its available green infrastructure loan funds. The Commission also commends HGIA's continued exploration of Green Bank opportunities for Hawaii's residents and businesses, aligned with our state's clean energy, environmental improvement, and equity initiatives. Senate Bill 2498 importantly proposes a program which supports low- and moderate-income households in service of Hawaii's cesspool remediation goals.

The Commission respectfully requests that S.B. No. 2498 proposed modifications to HGIA's repayment plan to the PBF include policy consideration for both the state's energy efficiency targets, as well as cesspool remediation goals. As such the Commission recommends that GEMS principal repayments continue to replenish public benefits fee collection reductions, and that the GEMS interest payments be redirected to support the establishment of the proposed Cesspool Conversion Revolving Loan Fund. The Commission understands that this would accomplish the goals of this measure while allowing repayment to the PBF during a critical time for energy efficiency.

S.B. No. 2498 Page 3

Thank you for the opportunity to testify on this measure.



To: The Honorable Chairs Mike Gabbard and Lynn DeCoite, the Honorable Vice Chairs Tim Richards and Glenn Wakai, and Members of the Committees on Agriculture and Environment and Energy, Economic Development and Tourism

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

Re: Hearing SB2498 RELATING TO FINANCING.

Hearing: Tuesday January 30, 2024, 1:00 p.m., room 329

Aloha Chairs Gabbard and DeCoite, Vice Chairs Richards and Wakai, and Members of the Committees on Agriculture and Environment and Energy, Economic Development and Tourism!

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. HIROC is deeply concerned about the harm that cesspool pollution inflicts on our precious coral reefs. Hawai'i needs to reduce cesspool pollution now in order to give coral reefs a chance to survive in the face of ocean warming and other harmful factors. Hawaii cesspool owners will need financial assistance to afford the high cost of upgrading cesspools by connecting to a sewer (centralized or decentralized) or installing an on-site system approved by the Department of Health. The Hawai'i Reef and Ocean Coalition **STRONGLY SUPPORTS** this bill, which will assist homeowners by establishing a cesspool conversion revolving loan fund.

Hawaii will need various types of financing, including but not limited to grants, conventional loans, non-traditional loans, and tax credits.

This bill would provide non-traditional low-cost loans to low and moderateincome homeowners. These loans may be paired with grants or other incentives.

The cesspool conversion revolving loan fund will provide a steady source of capital as loans are repaid by borrowers under the Green Energy Market Securitization (GEMS) funded loan program over a 20-year period. Capitalization of the cesspool conversion revolving loan fund may also be augmented with Federal and other funding sources.

The Hawai'i Green Infrastructure Authority may leverage these funds with conventional loan capital, depending on the appetite of our local lenders, by providing credit enhancements to reduce risks for banks and credit unions. This will further expand access to cesspool conversion financing to "near-bankable" borrowers.

With this bill enabling the Hawai'i Green Infrastructure Authority to retain its earned interest income under the GEMS financing program, the Legislature will not need to fund the full-time equivalent program management loan officer position with general funds. This position can instead be funded through the interest revenue earned by the Hawai'i Green Infrastructure Authority.

Please help Hawai'i's homeowners and our coral reefs by passing SB2498. Hawai'i Reef and Ocean Coalition (by Ted Bohlen)

<u>SB-2498</u> Submitted on: 1/28/2024 10:36:20 PM Testimony for AEN on 1/30/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Testifying for Hawaii Young Republicans	Support	Written Testimony Only

Comments:

Aloha Senators,

On behalf of Hawaii Young Republicans, we support this bill. Cleaning up cesspools is crucial to enhancing our environmental health and overall sustainability. We are pleased to see the necessary support going to this effort and we encourage the committee to support this and other legislation necessary to address our cesspool issue.



Jan. 29, 2024

In Support of **SB2498** Relating to Financing Senate Committees on Agriculture & Enviro. (AEN) and Energy, Econ. Dev. & Tourism (EET) Hearing on Jan. 30, 1:00pm, Rm. 229

Aloha, Chairs Gabbard & DeCoite, Vice-Chairs Richards & Wakai, and Members of the Committees:

On behalf of the non-profit WAI: Wastewater Alternatives & Innovations and the Cesspool Legislative Task Force, I am writing in **strong support of SB2498, Relating to Financing.** This bill would create a revolving loan program to help homeowners pay for cesspool conversions, which could cost anywhere between \$25,000-\$50,000. This bill is consistent with the 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 help finance these conversions, SB2498 proposes to provide non-traditional low-cost loans, which may be paired with grants or other incentives, to low and moderate-income homeowners. Repurposing principal repaid by borrowers under the Green Energy Market Securitization (GEMS) funded loan program, will provide a steady source of non-General Fund capital for the cesspool conversion revolving loan fund, as GEMS loans are repaid over a 20-year period. Capitalization of the cesspool conversion revolving nevolving loan fund may also be augmented with Federal and other funding sources.

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. 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 and failing septic systems. Our goal is to help find more innovative, affordable, and eco-friendly solutions to wastewater management and help homeowners with the conversion process. 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 funding to create the kind of financing to low-moderate income homeowners 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

WAI: Wastewater Alternatives & Innovations * 2927 Hibiscus PI. * Honolulu, HI 96815 808-381-6220 * info@waicleanwater.org * www.WaiCleanWater.org



808-733-7060

808-737-4977



January 30, 2024

The Honorable Mike Gabbard, Chair

Senate Committee on Agriculture and Environment

The Honorable Lynn DeCoite, Chair

Senate Committee on Energy, Economic Development, and Tourism State Capitol, Conference Room 229 & Videoconference

RE: Senate Bill 2498, Relating to Financing

HEARING: Tuesday, January 30, 2024, at 1:00 p.m.

Aloha Chair Gabbard, Chair DeCoite, 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** Senate Bill 2498, which establishes the Cesspool Conversion Revolving Loan Fund and directs green energy market securitization loan repayments and interest to be deposited into the Cesspool Conversion Revolving Loan Fund. Requires the Hawaii Green Infrastructure Authority to administer the Cesspool Conversion Revolving Loan Fund. Requires a report to the Legislature. Makes an appropriation.

Hawai'i REALTORS[®] 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 priorities¹ (48,596 on Hawai'i Island; 14,300 on Kaua'i; 11,038 on Maui; 1,400 on Molokai; and 7,491 on O'ahu) 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.

Affordability and financial planning are key. The Cesspool Conversion Working Group conducted an affordability analysis² 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. 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, this fund can be a beneficial tool in helping low- and moderate-income homeowners convert their cesspools to a DOH approved wastewater system.

For the foregoing reasons, the Hawai'i Association of REALTORS[®] supports this measure. Mahalo for the opportunity to testify.

² 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 REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.



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



TO: Senate Committee on Agriculture & Environment Senator Mike Gabbard, Chair Senator Tim Richards, Vice Chair

Senate Committee on Energy, Economic Development and Tourism Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

FROM: Lynn Miyahira representing Public Access to SunScreens (PASS) Coalition DATE:Tuesday, Jan 30, 2024 TIME: 1:00 PM PLACE: Conference Room 229 & Videoconference

Re: SB 2498

Position: SUPPORT

The <u>Public Access to SunScreens</u> (PASS) Coalition is a multi-stakeholder coalition composed of public health groups, dermatologists, sunscreen manufacturers, and leading advocates for skin cancer patients.

We <u>support</u> this measure as it provides important financing support for cesspool conversions.

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 (also known as eutrophication). This leads to algae blooms that suffocate and cover our coral reefs.

Many agree that cesspool pollution must be addressed quickly—but the question is who will pay for it? Our hope is that the Cesspool Conversion Revolving Loan Fund Program can be a solution.

Mahalo you for the opportunity to testify.

Sincerely,

Lynn Miyahira Public Access to SunScreens (PASS) Coalition

<u>SB-2498</u> Submitted on: 1/26/2024 5:39:56 PM Testimony for AEN on 1/30/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Courtney Kerr	Individual	Support	Written Testimony Only

Comments:

Aloha,

This bill is needed for innovative financing for those low and moderate-income cesspool owners upgrading their on-site wastewater system or connecting to a sewer via on-bill financing administered by the Hawaii Green Infrastructure Authority.

Cesspools are a major problem that many people can not afford to fix. I live on a beautiful island, but If my 2-year-old has a cut anywhere on her, then I can't take her to the ocean for fear of infections from contaminated waters. Not only my family's health is at risk, but also the beautiful underwater wonders of our coral reefs that are put under the constant pressure of wastewater pollution.

83,000 cesspools dumping 53 million gallons of raw sewage into our Hawaii waters every darn day must stop, and this bill will help homeowners deal with the high costs of cesspool conversions!

Mahalo, Courtney

<u>SB-2498</u> Submitted on: 1/26/2024 7:54:30 PM Testimony for AEN on 1/30/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Arianna Feinberg	Individual	Support	Written Testimony Only

Comments:

Dear Senators,

Please support SB2498 to create innovative financing to help low and moderate income cesspool owners to upgrade their wastewater disposal system. Cesspools pollute our groundwater and ocean. They are detrimental to human health as well as our marine ecosystems. We need to do everything in our power to accelerate the conversion of cesspools to something better. Working class people in Hawaii cannot afford to convert their cesspools on their own. The legislature needs to pass this bill in order to help them.

Thank you for your consideration,

Arianna Feinberg

Makawao, Maui

<u>SB-2498</u> Submitted on: 1/27/2024 9:59:32 PM Testimony for AEN on 1/30/2024 1:00:00 PM

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

Comments:

Hawaii urgently needs to convert its cesspools, which are dumping millions of gallons of **untreated sewage** into our beautiful coral reefs **every single day**. Wealthy property owners should be required to do this ASAP; low-income folks are going to need to need help to convert their cesspools, and that means giving them financing options. I support this bill to support all property owners in doing their part to protect our reefs.

<u>SB-2498</u> Submitted on: 1/28/2024 3:05:40 PM Testimony for AEN on 1/30/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel Amato	Individual	Support	Written Testimony Only

Comments:

As a water quality professional and academic researcher, I support SB2498. Financing cesspool upgrades is needed for Oahu communities. Please support SB2498. Mahalo.-Dr. Daniel Amato

<u>SB-2498</u> Submitted on: 1/29/2024 8:17:52 AM Testimony for AEN on 1/30/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenneth Faborito	Individual	Support	Written Testimony Only

Comments:

Assistance needed now for the conversion, especially on Molokai where many of our homestead lots are still cesspool systems.

<u>SB-2498</u> Submitted on: 1/29/2024 8:25:33 AM Testimony for AEN on 1/30/2024 1:00:00 PM

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

Comments:

Molokai residents who received their lands over 40 years are in great need for this effort to help in the conversion of their current situation.