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



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

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



Testimony COMMENTING on SB0501 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

6 (EMD-WWB) provides the following testimony on behalf of the Department.

7 The Department agrees that the Water Pollution Control Revolving Fund (WPCRF) 8 program, also known as the Clean Water State Revolving Fund (CWSRF) program, is one potential means of financing for cesspool conversions, which offers low-interest loans and 9 principal-forgiveness loans. Starting in December 2020, the CWSRF program has developed a 10 pass-through program to administer federal funds to individual homeowners via the counties. 11 12 Correspondences and discussions have taken place with the counties of Hawai'i, Kaua'i, and Maui, city and county of Honolulu, and department of Hawaiian home lands. On August 2024 13 the county of Kaua'i started its pass-through financing program using CWSRF program funds. 14

1	In light of the now rescinded President's Office of Management and Budget memo
2	M-25-13, regarding the Temporary Pause of Agency Grant, Loan and Other Financial Assistance
3	Programs, and an increase in Congressionally Directed Spending and Community Project
4	Funding, the Department has concern regarding the uncertainty of the capacity of the CWSRF
5	program to support the cesspool conversion financing program.
6	Therefore, the Department does not believe that this measure is necessary as the

7 Department and the CWSRF program are already implementing these actions.

- 8 **Offered Amendments:** None.
- 9 Thank you for the opportunity to testify on this measure.



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 SB501 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 COMMENTS regarding SB501.

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. There may be ways to reduce those costs, but cesspool owners will need financial assistance. We need to try to find ways to **make upgrades more affordable** to homeowners and governments.

The Hawai'i Reef and Ocean Coalition **appreciates the intent** of this bill. Certainly, finding ways to help homeowners with their cesspool upgrades is a high priority. The Water Pollution Control Revolving Fund may be a source of funding for cesspool upgrades.

However, the Water Pollution Control Revolving Fund, which is funded in large part by the USEPA, is also used by the Hawai'i Department of Health to help the counties fund other wastewater needs, including sewers and wastewater treatment plants. It may be better to have the Department of Health and the counties play a role in deciding the priorities for using the Water Pollution Control Revolving Fund, rather than having a law prioritize cesspool upgrades over all other uses of the Water Pollution Control Revolving Fund.

Thank you for the opportunity to comment on this bill.

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