

**STATE OF HAWAI'I  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**JOSH GREEN, M.D.**  
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**SYLVIA LUKE**  
LT. GOVERNOR

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Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEES ON  
AGRICULTURE AND ENVIRONMENT &  
HEALTH AND HUMAN SERVICES &  
WAYS AND MEANS**

Thursday, April 9, 2026, 10:20 AM  
State Capitol, Conference Room 211

in consideration of  
**HB 1618, HD 1**  
**RELATING TO CESSPOOL CONVERSIONS.**

Chairs Gabbard, San Buenaventura, and Dela Cruz, Vice Chairs Richards, McKelvey, and Moriwaki, and Members of the Committees,

The Office of Planning and Sustainable Development (OPSD) **supports HB 1618, HD 1**, which establishes and appropriates funds for a cesspool conversion revolving loan fund, to be administered by the Hawai'i Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools

OPSD recognizes that the ongoing housing crisis cannot be solved without significant and strategic infrastructure investment that supports greater population density and residential development. Currently, thousands of residential properties across the State are restricted by legacy cesspool systems that lack capacity to support additional residents or structures. By facilitating the upgrade, conversion, and connection of these systems, HB 1618, HD 1 directly enables the expansion of housing density through the construction of Accessory Dwelling Units (ADUs) and "ohana units" on existing residential lots.

Beyond enabling increased housing density, OPSD supports this measure because it addresses the potential financial burden that will be incurred by Hawai'i's low- to moderate income families as a result of the 2050 cesspool conversion mandate. Homeowners who cannot afford the significant upfront costs of conversion will inevitably see a proportionate decline in their property values and face increasing difficulty in securing financing or insurance as the deadline approaches. By providing low-interest loans and financial pathways, HB 1618, HD 1 protects the primary financial asset of Hawai'i's working families as the State moves forward with its efforts to convert all cesspools by 2050.

OPSD **supports** several of the amendments made to HB 1618, HD 1. We support the transition of the program's financing from a special fund to a revolving fund, as this structure creates a self-sustaining financial ecosystem. By allowing loan repayments to be reinvested, the State ensures a continuous cycle of funding that reduces the need for future general fund appropriations. Additionally, OPSD supports the inclusion of forgivable loans as a form of assistance offered by the Cesspool Conversion Financing Program. This addition is critical for social equity and program efficacy, as it provides a realistic pathway for low-to-moderate-income homeowners to meet the 2050 cesspool conversion mandate.

OPSD respectfully requests that your committee pass this measure to provide the financial foundation necessary for both environmental health and robust housing growth.

Thank you for the opportunity to testify in support of this measure.



Testimony of  
**Gwen Yamamoto Lau**  
Executive Director  
**Hawai'i Green Infrastructure Authority**  
before the  
**SENATE COMMITTEES ON AGRICULTURE & ENVIRONMENT,  
HEALTH & HUMAN SERVICES, AND WAYS AND MEANS**  
Thursday, April 9, 2026, 10:20 AM  
State Capitol, Conference Room 211  
in consideration of  
**House Bill No. 1618, HD1**  
**RELATING TO CESSPOOL CONVERSIONS**

Chairs Gabbard, San Buenaventura & Dela Cruz, Vice Chairs Richards, McKelvey & Moriwaki and Members of the Committees:

Thank you for the opportunity to testify on HB1618, HD1 relating to cesspool conversions. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill, which establishes and appropriates funds for a cesspool conversion loan program, so long as it does not adversely impact priorities identified in the Executive Budget Request for FY2027.

While dated, a report to the Legislature identified nearly 88,000 cesspools<sup>1</sup> in the State in need of remediation. Based on the demographics of the households impacted, both traditional and non-traditional financing options are needed to facilitate the necessary conversions over the next twenty-four (24) years.

<b>Island</b>	<b>Number of Cesspools</b>
Hawai'i	49,300
Kaua'i	13,700
Maui	12,200
O'ahu	11,300
Moloka'i	1,400

<sup>1</sup> Report to the 29<sup>th</sup> Legislature, State of Hawaii, 2018 Regular Session, Relating to Cesspools and Prioritization for Replacement, prepared by the Department of Health, Environmental Management Division, based on data generated in 2009 and 2014 through a joint effort of the University of Hawaii, Department of Health and U.S. Environmental Protection Agency.

The Hawaii Cesspool Prioritization Tool provides a map of color-coded cesspools based on the urgency of cesspool conversions of red (Priority 1); orange (Priority 2) and yellow (Priority 3). Additionally, Wastewater Alternatives & Innovations (WAI) recently launched “The SeaSick Program”, a reporting tool for suspected waterborne illnesses and infections. After the Kona Low Floods last month, WAI updated its reporting tool to also identify illnesses and infections related to contact with flood waters. The following maps show a side-by-side comparison of the Hawaii Cesspool Prioritization Toll (Figure 1) and illnesses and infections reported through SeaSick (Figure 2). It is not surprising to find blue dots appearing in the North Shore and Makaha areas with a high concentration of cesspools:

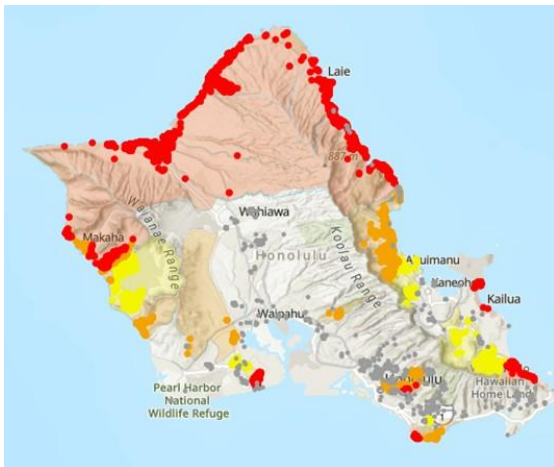


Figure 1: Hawaii Prioritization Tool reflecting red (priority 1); Orange (priority 2) and yellow (priority 3) cesspool locations.

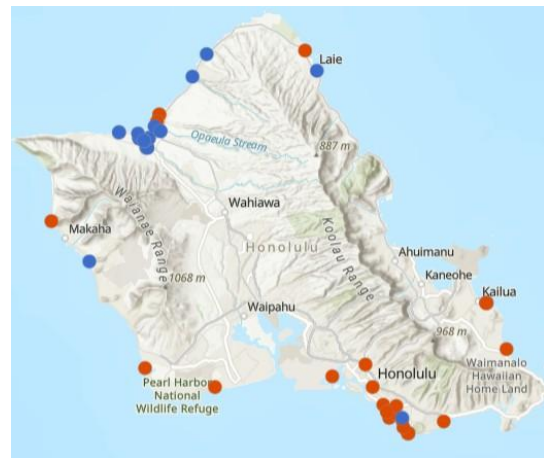


Figure 2: SeaSick Reporting Tool. Red dots were reported during normal conditions. Blue dots indicate a response related to the March 2026 floods.

With the passage of this bill, the City & County of Honolulu is poised to augment state funding provided in the Cesspool Conversion Revolving Loan Fund with an additional \$625,000 of City funds to assist with cesspool conversions in Honolulu County. Additional funding may be available upon approval by the Honolulu City Council.

With the success of its Green Energy Money Saver loan program, HGIA has demonstrated its ability effectively administer financing programs. The establishment of this program will allow HGIA to continue its mission of addressing access to capital and affordability gaps while helping to address one of Hawai'i's challenges that are affecting the health and safety of our people, our visitors and our environment.

HGIA respectfully requests the following amendments be incorporated into this bill:  
 Revise Section 2 (a) by adding funds pursuant to section 237D-6.5 as follows:

SECTION 2. Chapter 196, Hawaii Revised Statutes is amended by adding a new section to part IV to be appropriately designed and to read as follows:

"§196-\_\_\_ Cesspool conversion revolving loan fund; cesspool conversion financing program. (a) There is established in the state treasury the cesspool conversion revolving loan fund, which shall be administered by the authority. Funds deposited into the cesspool conversion revolving loan fund shall include:

- (1) Funds allocated pursuant to section 237D-6.5;
- ~~[(1)]~~ (2) Moneys appropriated by the legislature;
- ~~[(2)]~~ (3) Funds from federal, state, county, private, or other funding sources, including funds from the department of health under section 342D-83;
- ~~[(3)]~~ (4) Moneys received as repayment of loans and interest payments; provided that the repayment of loans and interest payments under this paragraph shall not include repayment of loans and interest collected as a result of funds advanced from proceeds of the green energy market securitization bonds, clean energy and energy efficiency revolving loan fund, solar photovoltaic and energy storage loan program, or condominium loan program; and
- ~~[(4)]~~ (5) Any fees collected by the authority under this section; provided that moneys collected as a result of the funds advanced from proceeds of the green energy market securitization bonds, clean energy and energy efficiency revolving loan fund, solar photovoltaic and energy storage loan program, and condominium loan program shall be kept separate from fees collected as a result of funds advanced from proceeds of the cesspool conversion revolving loan fund."

Replace the language in Section 4 to be funded by a portion of the green fee as follows:

SECTION 4. [~~There is appropriated out of the general revenues of the State of Hawaii the sum of \$ \_\_\_\_\_ or so much thereof as may be necessary for fiscal year 2026-2027 to be deposited into the cesspool conversion revolving loan fund established under section 196—~~] Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Except for the revenues collected pursuant to section 237D-2e, revenues collected under this chapter shall be distributed in the following priority, with the excess revenues to be deposited into the general fund:

- (1) \$1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the conservation easement and other real property interests in Turtle Bay, Oahu, for the protection preservation, and enhancement of natural resources important to the State, until the bonds are fully amortized;
- (2) \$11,000,000 shall be allocated to the convention center enterprise special fund established under section 201B-8;
- (3) An allocation shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in the tourism emergency special fund; ~~and~~
- (4) \$3,000,000 shall be allocated to the special land and development fund established under section 171-19 for:
  - (A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches;
  - (B) Planning, construction, and repair of facilities;
  - (C) Operation, maintenance, and improvement costs of public lands, including beaches; and

(D) Any related debt service and financing agreement costs[-];

(5) \$ \_\_\_\_\_ shall be allocated to the cesspool conversion revolving loan fund established pursuant to 196- \_\_\_\_\_ ; and

(6) The amount allocated in paragraph (5) shall be subtracted from the tax revenues levied, assessed, and collected pursuant to section 237D-2(e) that are in excess of the revenues realized from the levy, assessment, and collection of tax at the ten per cent rate.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection."

Thank you for this opportunity to provide comments and testify in support of HB1618, HD1.

**JOSH GREEN, M.D.**  
GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE**  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
KA 'OIHANA KUMUWAIWAI 'ĀINA**

P.O. BOX 621  
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**DAWN N.S. CHANG**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
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**RYAN K.P. KANAKA'OLE**  
FIRST DEPUTY

**CIARA W.K. KAHAHANE**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES  
ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**Testimony of  
RYAN K.P. KANAKA'OLE  
Acting Chairperson**

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

**Thursday, April 9, 2026  
10:20 AM  
State Capitol, Conference Room 211**

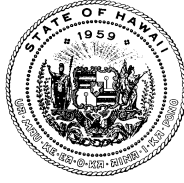
**In consideration of  
HOUSE BILL 1618, HOUSE DRAFT 1  
RELATING TO CESSPOOL CONVERSIONS**

House Bill 1618, House Draft 1 proposes to establish and appropriate funds for a cesspool conversion revolving loan fund, to be administered by the Hawai'i Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools. **The Department of Land and Natural Resources (Department) supports this bill.**

Hawai'i has over 83,000 cesspools that discharge 52 million gallons of untreated sewage into the groundwater every day. Sewage discharge can adversely impact marine resources by causing increased nutrients in the nearshore environment leading to eutrophication, reduction in coral cover, and decreased marine species diversity. These effects frequently impact coral reef ecosystems, as sewage has been shown to travel quickly from land to sea. Thus, it is imperative to focus on effective management of wastewater to protect aquatic resources in Hawai'i.

This measure establishes a financial assistance program that will encourage homeowners to upgrade their cesspools and keep Hawai'i on target with the deadline to convert all cesspools in the state by 2050. The Department supports this measure because it provides financial support for homeowners to engage in these critical conversions.

Mahalo for the opportunity to comment on this measure.



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

**Testimony in SUPPORT of HB1618 HD1  
RELATING TO CESSPOOL CONVERSIONS.**

SENATOR MIKE GABBARD, CHAIR  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

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

SENATOR DONOVAN M. DELA CRUZ, CHAIR  
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date, Time and Room Number: 04/09/2026, 10:20 am, 211

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 Governor’s executive budget request.

4 **Department Position:** The Department supports HB1618 HD1 and offers comments.

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

7 The Department supports HB1618 HD1, which establishes and appropriates funds for a  
8 cesspool conversion loan program to be administered by the Hawai‘i Green Infrastructure  
9 Authority (HGIA). Funding availability remains one of the most significant barriers to cesspool  
10 conversion. This bill furthers the Cesspool Conversion Working Group's recommendation to  
11 develop robust funding and financing options to assist low- and moderate-income homeowners  
12 to finance conversions.

1           The Department notes that Sections 2 and 3 of this measure authorize the Water  
2   Pollution Control Revolving Fund (aka Clean Water State Revolving Fund) as a source of funds  
3   for the Cesspool Conversion Loan Special Fund through annual memoranda of agreement. The  
4   Water Pollution Control Revolving Fund primarily receives funds from the federal government  
5   with a percentage-based match from the State and is administered through a state-federal  
6   partnership. The Department has consulted with its federal partner at the U.S. Environmental  
7   Protection Agency (EPA) to confirm the parameters for using the Water Pollution Control  
8   Revolving Fund for this purpose. The official feedback from EPA Headquarters is that the EPA  
9   fully supports Water Pollution Control Revolving Fund funds for cesspool conversions, but the  
10   funds cannot forward-pay for projects. In other words, Water Pollution Control Revolving Fund  
11   funds are only allowed to pay for cost-incurred expenses.

12   **Offered Amendments:** None.

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

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



**STATE OF HAWAII**  
**PUBLIC UTILITIES COMMISSION**  
465 S. KING STREET, #103  
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CHAIR

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## Testimony of the Public Utilities Commission

To the  
Senate Committees on  
Agriculture & Environment,  
Health & Human Services,  
and  
Ways & Means

Thursday, April 9, 2026  
10:20 a.m.

Chairs Gabbard, San Buenaventura, and Dela Cruz, Vice Chairs Richards, McKelvey, and Moriwaki, and Members of the Committees:

**Measure:** H.B. No. 1618, H.D.1  
**Title:** RELATING TO CESSPOOL CONVERSIONS.

### Position:

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

### Comments:

The Commission supports 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 recognizes the success of Hawaii Green Infrastructure Authority's oversight of the Green Energy Market Securitization ("GEMS") loan program since its establishment in 2014, and particularly its achievement in the last eight years during which time it has deployed the majority of its available green infrastructure loan funds. The GEMS program is financed through a green infrastructure fee ("GIF") paid by Hawaiian Electric ratepayers and was established as an offset of the Public Benefits Fee ("PBF") surcharge to minimize customer bill impact.

The Commission 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. H.B. 1618 H.D.1 importantly proposes a program which supports low- and moderate- income households in service of Hawaii's cesspool remediation goals. Furthermore, the Commission supports the innovative financing resource proposals in this bill, and particularly for its intent to keep separate and distinct the cesspool conversion loan fund from the activities and moneys collected as a result of the funds advanced from proceeds of the GEMS program.

Thank you for the opportunity to testify on this measure.



**UNIVERSITY OF HAWAII SYSTEM**  
**‘ŌNAEHANA KULANUI O HAWAII**

Legislative Testimony  
Hō‘ike Mana‘o I Mua O Ka ‘Aha‘ōlelo

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Testimony Presented Before the  
Senate Committee on Agriculture and Environment,  
Senate Committee on Health  
and  
Senate Committee on Human Services, and Ways and Means  
Thursday April 9, 2026 at 10:20 a.m.

By  
Darren T. Lerner, PhD  
Director, Sea Grant College Program,  
School of Ocean and Earth Science and Technology  
and  
Tao Yan  
Director, Water Resources Research Center  
and  
Vassilis Syrmos, PhD  
Provost  
University of Hawai‘i at Mānoa

HB 1618 HD1 – RELATING TO CESSPOOL CONVERSION

Chairs Gabbard, San Buenaventura, and Dela Cruz, Vice Chairs Richards, McKelvey, and Moriwaki, and Members of the Committees:

The University of Hawai‘i Sea Grant College Program (Hawai‘i Sea Grant) and Water Resources Research Center (WRRC) support HB1618 HD1 relating to cesspool conversion.

The conversion of cesspools in Hawai‘i is a pivotal component of the state's broader strategy to address water quality issues, promoting a cleaner and healthier environment for current and future generations to enjoy and avoiding the compounding impacts that climate change will have on our already stressed resources.

The Cesspool Conversion Working Group reported that the vast majority of cesspool owners cannot afford the upgrade of their cesspool to an advanced form of wastewater treatment. Because it is critical to both human and environmental health that the state's cesspools be eliminated as soon as possible, it is important that various mechanisms for financial assistance be created for homeowners. This bill would provide financial relief to those who are upgrading their cesspools through the creation of a dedicated funding mechanism for qualified homeowners in the most pressing areas for conversion to improve nearshore water quality.

Thank you for the opportunity to testify on this measure.

OFFICE OF CLIMATE CHANGE SUSTAINABILITY AND RESILIENCY

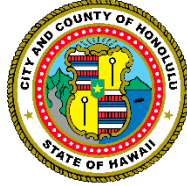
KE KE'ENA LOLI ANIAU MĀLAMA 'ĀINA A ME KE OLA LOA

CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI  
MAYOR  
MEIA



KEALOHA FOX, Ph. D.  
EXECUTIVE DIRECTOR &  
CHIEF RESILIENCE OFFICER  
PO'O HO'OKŌ & KAHU OLA LOA

VACANT  
DEPUTY DIRECTOR &  
DEPUTY CHIEF RESILIENCE OFFICER  
HOPE PO'O & HOPE KAHU OLA LOA

TESTIMONY OF KEALOHA FOX, PH.D.  
EXECUTIVE DIRECTOR OF CLIMATE CHANGE, SUSTAINABILITY AND  
RESILIENCY AND CHIEF RESILIENCE OFFICER

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND ENVIRONMENT  
AND HEALTH AND HUMAN SERVICES AND WAYS AND MEANS

Thursday, April 9, 2026, 10:20 AM  
Conference RM 211 and Via Videoconference

- TO: Sen. Mike Gabbard, Chair, Sen. Joy San Buenaventura, Chair, Sen. Donovan Dela Cruz, Chair, and Members of the Committees on Agriculture and Environment, Health and Human Services, and Ways and Means
- RE: SUPPORT OF HOUSE BILL 1618, HD1, RELATING TO CESSPOOL CONVERSIONS

The City and County of Honolulu's ("City") Office of Climate Change, Sustainability, and Resiliency **strongly supports** House Bill 1618, HD1, which establishes and appropriates funds for a cesspool conversion revolving loan fund to be administered by the Hawai'i Green Infrastructure Authority (HGIA).

Cesspools pose a significant threat to Hawai'i's groundwater, drinking water, and nearshore marine environments. These risks are exacerbated by climate change impacts such as sea level rise, flooding, and groundwater inundation. *Climate Ready O'ahu*, the City's climate adaptation strategy, identifies cesspool conversion as a critical climate adaptation strategy, particularly in high-priority and sea level rise exposure areas<sup>1</sup>. Of the nearly 8,000 cesspools on O'ahu, over 1,000 are located within the sea level rise exposure area, increasing the urgency of accelerating conversions to protect public health and environmental resources.

High upfront conversion costs remain a major barrier for many, particularly low-to moderate-income (LMI) households. The Hawai'i Department of Health Cesspool Pilot Program's 2023 report to the Hawai'i State Legislature found that "many grantees

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<sup>1</sup> *Climate Ready O'ahu*, City and County of Honolulu Climate Adaptation Strategy, Action 5.3, Increase partnerships and investments to support cesspool conversions islandwide:  
[https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGYY39\\_IDfidH0Ag/view](https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGYY39_IDfidH0Ag/view)

Sen. Gabbard, Chair, Sen. San Buenaventura, Chair, Sen. Dela Cruz, Chair,  
and Members  
HB1618, HD1  
April 9, 2026  
Page 2

still faced a financial burden as they had to pay outstanding costs between \$10,000 and \$30,000 out of pocket even with grant awards.”

Given the persistent financial barriers to conversion, and high outstanding costs beyond what grants may cover, low-interest or forgivable financing with a preference for LMI households is an important step toward ensuring that conversion compliance pathways are both accessible and equitable. This measure advances a more comprehensive financing framework by leveraging HGIA’s expertise in administering green infrastructure programs and by expanding the suite of tools available to homeowners beyond grants and tax incentives alone. A diversified financing approach is essential to accelerate conversions at the scale required.

The City is committed to supporting O’ahu households in their efforts to meet State cesspool conversion mandates. The City has already identified and dedicated local funding for this purpose through the City’s Climate Resiliency Fund. As directed by Ordinance 25-23, a priority use of the fund is to support household cesspool conversions, particularly for lower-income households. We are prepared to partner with the State to deploy this available local funding; however, without an appropriate State-administered financing mechanism, the City currently lacks an effective pathway to deploy these resources at scale for the benefit of O’ahu households. Establishment of the revolving loan fund would provide that critical platform, enabling coordinated investment and accelerating progress on cesspool conversions island-wide.

Mahalo for the opportunity to testify in **strong support** of HB1618, HD1.



DATE: April 8, 2026

TO: Senator Mike Gabbard  
Chair, Committee on Agriculture & Environment

Senator Joy San Buenaventura  
Chair, Committee on Health & Human Services

Senator Donovan Dela Cruz  
Chair, Committee on Ways & Means

FROM: Mihoko Ito / Tiffany Yajima

RE: **HB1618, HD1 – Relating to Cesspool Conversions**  
**Hearing Date: Thursday, April 9, 2026 at 10:20 a.m.**  
**Conference Room: 211**

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Dear Chair Gabbard, Chair San Buenaventura, Chair Dela Cruz, and Members of the Joint Committees:

On behalf of Hawaii Bankers Association, thank you for the opportunity to submit **comments** regarding HB1618 HD1, which establishes and appropriates funds for a cesspool conversion revolving loan fund, to be administered by the Hawaii Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools.

We support the intent of this measure, particularly as reflected in the current amended version of the bill. Expanding access to financing for cesspool conversions is important for helping homeowners meet the State's environmental and public health objectives, especially given the significant upfront costs associated with these upgrades.

Financial institutions across the state already provide a variety of financing tools—including home equity loans, personal loans, and other credit products—that homeowners may use to fund these upgrades. We believe a public financing program can complement private lending, particularly for borrowers who may not otherwise qualify for traditional credit. We encourage the Legislature to continue to focus on clear eligibility standards to ensure the program is sustainable and reaches those most in need.

Thank you for the opportunity to submit this testimony.



808-524-5161



P.O. Box 10065, Honolulu, Hawaii 96816



director@hawaiiiba.org



April 7, 2026

Senate Committees on Agriculture and Environment; Health and Human Services; Ways and Means  
Hawai'i State Legislature  
Via Electronic Transmission

Re: Testimony in **STRONG SUPPORT** of HB1618 HD1, Relating to Wastewater Systems

Hearing: Thursday, April 9th, 10:20 am via Videoconferencing

Aloha Chairs Gabbard, San Buenaventura, and DelaCruz, Vice Chairs Richards, McKelvey, and Moriwaki and members of the Committees on Agriculture and Environment, Health and Human Services, and Ways and Means,

Wastewater Alternatives & Innovations (WAI) **strongly supports** HB1618 HD1! This bill would help make cesspool conversions more affordable. It would provide low-interest loans to eligible homeowners for the upgrade, conversion, or connection of cesspools. The loans would be funded by a Cesspool Conversion Revolving Loan Fund administered by the Hawaii Green Infrastructure Authority ("HGIA"). These loans are a needed and valuable resource for low and moderate income homeowners unable to access financing at reasonable rates and terms.

Cesspool conversions can be costly, and we need to try to find ways to make upgrades more **affordable** while also making them **effective**. On-bill financing has worked for renewable energy and water measures, and it mitigates risks to providers of capital, which can reduce costs to borrowers.

Hawaii has more than 80,000 cesspools across the state, discharging about 50 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 along with threats to public health, drinking water resources, and the near-shore environment.

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.

WAI respectfully submits testimony in **strong support** of HB1618 HD1. We appreciate the Legislature's continued leadership on addressing Hawai'i's wastewater pollution challenges. Thank you for the opportunity to submit testimony in strong support of this bill and mahalo for your leadership on this important issue.

Aloha,

*Stuart Coleman,*

*Jessica Kai Paisley,*

Stuart H. Coleman, Executive Director

Jessica Kai Paisley, Program & Legal Specialist



April 8, 2026

Senate Committee on Agriculture and Environment  
Senate Committee on Health and Human Services  
Senate Committee on Ways and Means  
Hawai'i State Legislature  
Via Electronic Transmission

Re: Testimony in SUPPORT of HB 1618 HD1, Relating to Cesspool Conversions  
Hearing: Thursday, April 9, 2026, 10:20 AM CR 211 Via Videoconference

To: The Honorable Chair Gabbard, Chair San Buenaventura, Chair Dela Cruz, Vice Chair Richards, Vice Chair McKelvey, Vice Chair Moriwaki, and Members of the Committee,

**The Surfrider Foundation, Hawai'i region, is in strong support of HB1618 HD1** which establishes a low-interest loan system to help homeowners comply with HRS §342D-72 and complete mandated cesspool conversions

Surfrider Foundation is a grassroots activist network dedicated to protecting our oceans, waves, and beaches. Through our Blue Water Task Force (BWTF), a citizen-science water quality monitoring program on Kaua'i, Maui, and O'ahu, we regularly test more than 80 sites statewide for enterococcus, a fecal indicator bacteria. Many of our monitoring sites are located near high concentrations of cesspools, where water quality frequently exceeds state public health standards. These exceedances represent real risks to residents and visitors alike.

Hawai'i continues to face significant public health and environmental threats from the more than 83,000 cesspools that collectively discharge 52 million gallons of untreated sewage into groundwater and nearshore waters every day. This contamination threatens public health, degrades water quality, fuels harmful algal blooms that damages coral reefs- ecosystems that protect our shorelines, sustain fisheries, and support recreation and local economies.

One of the greatest barriers to meeting the 2050 cesspool conversion mandate is affordability. The upfront cost of conversion can easily reach tens of thousands of dollars, placing compliance out of reach for many households. While a revolving loan does not eliminate the cost of conversion, it provides accessible, lower-interest financing that makes compliance achievable for more households. Currently, the upfront investment is largely prohibitive, delaying conversions- and our water quality continues to suffer as a result. If Hawai'i is serious about meeting its statutory deadline, we must provide homeowners with practical, attainable pathways to comply.

HB 1618 provides a critical financing tool to accelerate conversions statewide, prioritize low- and moderate-income households, and ensure the 2050 mandate is not just aspirational, but achievable.

Mahalo for the opportunity to testify in strong support of HB1618 on behalf of Surfrider Foundation's three Hawai'i chapters and members statewide.

Sincerely,

Hanna Lilley  
Hawai'i Regional Manager  
Surfrider Foundation

# Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i, and City & County of Honolulu

Website: [hawaii-counties.org](http://hawaii-counties.org) | Email: [hsac@hawaii-counties.org](mailto:hsac@hawaii-counties.org)

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## Testimony of the Hawai'i State Association of Counties

### H.B. No. 1618 HD1 - Support

Relating to Cesspool Conversions

Thursday, April 9, 2026, 10:20 a.m.

The Hawai'i State Association of Counties (HSAC) is a non-profit organization whose membership includes representatives from the County of Kaua'i, County of Maui, County of Hawai'i, and the City and County of Honolulu. HSAC's membership consists of elected members of each county council who advocate for policies and programs that strengthen county government, improve public safety, and enhance quality of life statewide. Through this work, HSAC helps ensure counties are better positioned to address shared challenges and that statewide policies reflect county-level realities, helping make all counties stronger.

HSAC supports H.B. 1618 HD1, which establishes a cesspool conversion revolving loan fund and financing program to provide low-interest and forgivable loans to eligible households.

Cesspool conversion remains one of Hawai'i's most urgent environmental and public health challenges. With the State's 2050 mandate in place, counties are on the front lines addressing impacts to drinking water, coastal ecosystems, and community health. However, the high cost of conversion continues to be the primary barrier for many residents.

This measure directly addresses that barrier by creating accessible financing options, particularly for households that may not qualify for traditional lending. Expanding these tools is critical to accelerating conversions statewide and meeting mandated deadlines.

By strengthening financial support for residents, this bill also reinforces the partnership between the State and counties in addressing a shared priority.

HSAC respectfully urges the Committee to pass H.B. 1618 HD1.

Nahelani Parsons

**Executive Director, Hawai'i State Association of Counties**



**Senate Committees on Agriculture & Environment, Health & Human Services,  
and Ways & Means**

**Testimony on HB1618 HD1**

**Relating to Cesspool Conversions**

**April 9th, 2026**

**10:20 AM**

**Room 211**

**Testimony of the Hawai'i Climate Change and Health Working Group**

**In Support of HB1618 HD1  
Relating to Cesspool Conversions**

Aloha Chair Gabbard, Chair San Buenaventura, Chair Dela Cruz, Vice Chair Richards, Vice Chair McKelvey, Vice Chair Moriwaki, and Members of the Committees,

The Climate Change and Health Working Group (CCHWG) **supports HB1618 HD1**, which establishes and appropriates funds for a cesspool conversion loan special fund to be administered by the Hawai'i Green Infrastructure Authority. This fund would provide low-interest loans to eligible homeowners to support the upgrade, conversion, or connection of cesspools.

**Who We Are and Why This Matters**

CCHWG is a cross-sector collaborative committed to strengthening Hawai'i's public health resiliency in response to climate change. Guided by the principles of equity, justice, and aloha, we work across disciplines and communities to research, communicate, and advocate for policies that reduce climate-related health risks, particularly for communities that are disproportionately burdened.

## **Cesspools Pose a Direct Threat to Public Health and Water Quality**

Cesspools pose a significant threat to both environmental and human health in Hawai'i. Untreated wastewater contaminates groundwater and nearshore waters, increasing exposure to pathogens and nutrients that harm drinking water supplies, coral reefs, and fisheries<sup>1</sup>. These impacts are exacerbated by climate change, including sea level rise, increased flooding, and extreme rainfall events, which heighten the risk of system failure and contamination<sup>2</sup>.

## **The Burden Is Not Equal**

The burden of cesspool-related pollution falls disproportionately on rural, coastal, and lower-income communities that often lack the financial resources to comply with existing conversion requirements<sup>3</sup>. By establishing a dedicated loan program, HB1618 HD1 advances a more equitable pathway for homeowners to transition away from cesspools while protecting public health, water quality, and ecosystem integrity.

## **A Preventative Investment in Climate and Community Health**

This measure represents a proactive, preventative investment in Hawai'i's climate resilience and long-term health outcomes. Providing accessible financing for cesspool conversion supports statewide water protection goals while reducing avoidable health risks and future public costs.

Mahalo for the opportunity to provide testimony in strong support of HB1618 HD1.

Sincerely,

James McCallen, MPH

The Climate Change and Health Working Group

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<sup>1</sup> [General Health Advisory](#), Hawai'i Department of Health, Clean Water Branch, 2026

<sup>2</sup> ["Cesspools in Paradise"](#), Helene Raine, Sea Grant, University of Hawai'i, 2019

<sup>3</sup> [Hawai'i County Cesspool Conversion Task Force Report](#), County of Hawai'i, 2025



To: The Honorable Chairs Mike Gabbard, Joy San Buenaventura, and Donovan Delacruz, and the Honorable Vice Chairs Herbert M. “Tim” Richards, Angus McKelvey, and Sharon Moriwaki, and members of the Committees on Agriculture and Environment, Health and Human Services, and Ways and Means

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

Re: Hearing HB1618 HD1 RELATING TO **CESSPOOL CONVERSIONS**

Hearing: Thursday April 9, 2026 10:20 a.m.

Aloha Chairs Gabbard, San Buenaventura, and Delacruz, Vice Chairs Richards, McKelvey, and Moriwaki, and members of the Committees on Agriculture and Environment, Health and Human Services, and Ways and Means!

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**  
HB1618 HD1!

Cesspool pollution is the State's largest water pollution problem. It threatens public health, especially when cesspools overflow, as happened this month. It threatens our tourism, recreational economy, and the coral reefs that protect our shorelines.

Upgrading cesspools will be expensive. This bill would **help make cesspool conversions more affordable.**

**Insufficient funding availability is a major barrier to cesspool upgrading.** Thousands of cesspool owners who are required to connect to sewer or upgrade their existing cesspools may not be able to qualify for bank or credit union financing. In addition to grants and other incentives, the State should also provide assistance at least for low and moderate income homeowners with a **low-cost financing option.** A program is needed that **eliminates credit barriers** by leveraging innovative on-bill repayment mechanisms, while still being prudent stewards of public funds.

This bill would provide low-interest loans to eligible low and moderate income homeowners for the upgrade, conversion, or connection of cesspools. The loans would be funded by a Cesspool Conversion Revolving Loan Fund administered by the Hawaii Green Infrastructure Authority, which has successfully administered the Green Energy Money Saver (GEM\$) on-bill loan program. Repayment of loans "on-bill" has worked well for renewable energy and water. It mitigates risk to lenders, which can reduce costs to borrowers.

**These loans would be a needed and valuable resource for low and moderate income homeowners unable to access financing at reasonable rates and terms.**

Please pass this bill to **help LMI customers gain access to credit for cesspool upgrades and help Hawaii deal with its cesspool water pollution problem!**

Mahalo!

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



TO: Committee on Agriculture and Environment  
Senator Mike Gabbard, Chair  
Senator Herbert M. "Tim" Richards, III, Vice Chair

Committee on Health and Human Services  
Senator Joy A. San Buenaventura, Chair  
Senator Angus L.K. McKelvey, Vice Chair

Committee on Ways and Means  
Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

FROM: Lynn Miyahira representing Public Access to SunScreens (PASS) Coalition  
DATE: Thursday, April 9, 2026  
TIME: 10:20 AM  
PLACE: Conference Room 211 & Videoconference

**Re: HB 1618, HD 1**

**Position: SUPPORT**

The [Public Access to SunScreens](#) (PASS) Coalition is a multi-stakeholder coalition composed of public health groups, dermatologists, sunscreen manufacturers, and leading advocates for skin cancer patients. We also support efforts that protect our coral reefs.

**We support this measure.**

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 53 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, which leads to algae blooms that suffocate and cover our coral reefs.

HB 1618, HD 1 addresses one of the most significant barriers to cesspool conversion: affordability. Establishing the Cesspool Conversion Revolving Loan Fund and authorizing the Hawai'i Green Infrastructure Authority to administer a low-interest loan program will provide homeowners with a practical, accessible pathway to upgrade, convert or connect cesspools to more protective wastewater systems. Many property owners want to comply with existing and future cesspool requirements but face prohibitive upfront costs. This bill directly responds to that challenge.

By leveraging the expertise of the Hawai'i Green Infrastructure Authority, HB 1618, HD 1 ensures that financing for cesspool conversions is administered efficiently, transparently and in a manner consistent with other successful green infrastructure financing programs. Low-interest loans will accelerate conversions, reduce long-term pollution and deliver measurable benefits to water quality, public health and coral reef protection.

The appropriation to capitalize the loan special fund is a critical investment in Hawai'i's environmental future. Supporting homeowners through financing — not just mandates — will increase compliance, promote equity and speed progress toward statewide cesspool reduction goals.

HB 1618, HD 1 represents a solution that aligns environmental protection with economic feasibility. For these reasons, the PASS Coalition respectfully urges your support of this measure.

Sincerely,

Lynn Miyahira  
Public Access to SunScreens (PASS) Coalition

**Testimony of The Nature Conservancy  
Supporting HB1618 HD1, Relating to Cesspool Conversions  
Committee on Agriculture and Environment  
Committee on Health and Human Services  
Committee on Ways and Means  
April 9, 2026 at 10:20 am  
Conference Room 211 and via Videoconference**

Dear Chairs Gabbard, San Buenaventura and Dela Cruz, Vice Chairs Richards, McKelvey and Moriwaki, and Members of the Committee:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports HB1618 HD1, which establishes and appropriates funds for a cesspool conversion revolving loan fund, to be administered by the Hawai'i Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools.

Science conducted by TNC and partners has shown that wastewater, particularly cesspools, are detrimental to the coral reefs that protect our coastlines and underpin our economy. Without clean coastal waters, our reef ecosystems face even greater risk amid growing global stressors, including climate change.

Cesspools cause harm to water quality within adjacent groundwater, anchialine, coral reef systems and fisheries by introducing elevated amounts of organic nitrogen and phosphorus, pathogens, and other contaminants. These pollutants can encourage excess algal and bacterial growth, degrade aquatic ecosystems, and pose risks to human health. Our research in He'eia, Maunaloa, Olowalu, Hana and South Kohala has shown direct evidence of cesspool contamination in streams and coastal waters using a variety of bioindicators and chemical signatures.

One of the primary limitations for cesspool upgrade, conversion or connection at scale is the high cost of conversion to private homeowners. HB1618 HD1 provides a valuable financing option to help address this challenge. Similar to investments in clean energy, this financing provides low-interest loans that can allow for smaller payments over long periods of time. This approach may encourage homeowners to comply with conversion requirements sooner and help reduce environmental stressors more quickly.

**Mahalo for the opportunity to testify in support of HB1618 HD1.**

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*Guided by science, TNC is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 84,000 acres in 13 nature preserves and 18 managed areas and have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.*

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# A Community Dedicated to Saving Puakō Reef

Return the reef to its historic 70% coral coverage from its existing 7%.

[www.Puako4reefs.org](http://www.Puako4reefs.org) \* [Puako for Reefs Facebook](#)

Story map of Puakō: [Wahi Pana -A Sacred Place](#)

## HEARING FOR STATE SENATE COMMITTEES

Thursday, April 9, 2026 10:20 a.m.

Conference Room 211, State Capitol

**TO: Senate Committees on:**

- 1. Agriculture and Environment Chair Mike Gabbard, and Vice-Chair Tim Richards,**
- 2. Health and Human Services Chair Joy San Buenaventura, and Vice-Chair Angus McKelvey,**
- 3. Ways and Means Chair Donovan Dela Cruz, and Vice-Chair Sharon Moriwaki, And all members of these committees.**

**RE: House Bill 1618, HD1. RELATING TO CESSPOOL CONVERSIONS.**

Aloha Chairs, Committee Members, and Honorable Legislators,

Puakō For Reefs is a volunteer-run 501(c)(3) nonprofit dedicated to protecting the reef near Puakō and building a scalable model to protect all Hawai‘i coral reefs from wastewater pollution. We strongly support HB1618, HD1, which establishes a revolving loan fund for cesspool conversion loans to low and moderate-income households.

Financing is the primary barrier preventing many homeowners from replacing cesspools, even when they want to do the right thing. Responsible wastewater disposal is essential to protect our marine environment, yet it can be costly. This bill addresses that critical financial gap.

Key points of support and recommended clarifications:

1. The HD1 changes to create a revolving loan fund and allow for loan forgiveness are fantastic. For many households, loans alone will not be sufficient; some will require grant or forgivable assistance. We strongly support the inclusion of forgivable-loan authority.
2. Please clarify that loans may be used to connect to either public or private sewerage systems. Adding the phrase “public or private” (or “any approved”) before “sewerage systems” on Page 2, Line 8, or retaining the broader language on Page 4, Line 12 (“sewerage systems on terms approved by the authority”), will avoid ambiguity and ensure eligible homeowners have access to all feasible connection options.
3. The initial fund capitalization should be substantial. Meaningful funding is necessary for the program to achieve statewide cesspool abandonment goals and to meet the



# A Community Dedicated to Saving Puakō Reef

Return the reef to its historic 70% coral coverage from its existing 7%.

[www.Puako4reefs.org](http://www.Puako4reefs.org) \* [Puako for Reefs Facebook](#)

Story map of Puakō: [Wahi Pana -A Sacred Place](#)

State's 2050 mandate. \$10,000 per upgrade is a good start.

This program represents one of the most effective, practical steps the Legislature can take to accelerate cesspool replacement, protect coastal water quality, and preserve Hawai'i's reefs and public health. Mahalo for the opportunity to testify and for your leadership on this urgent matter.

Puakō for Reefs Board members and its many volunteers

**Karen Anderson**, Board Chair, **Stephanie Erickson**, Board Treasurer,

**Barbara Bell**, Board Secretary, and **George Fry**, Board member.

# HAWAI'I OCEAN LEGISLATIVE TASK FORCE



April 9, 2026

Hawai'i State Legislature  
Senate Committee on Agriculture and Environment  
Senate Committee on Health and Human Services  
Senate Committee on Ways and Means

Re: Testimony in **SUPPORT** for HB 1618 HD1, Relating to Cesspool Conversions

Aloha Chairs Gabbard, San Buenaventura and Dela Cruz, Vice Chairs Richards, McKelvey and Moriwaki, and esteemed members of the committees,

The Ocean Legislative Task Force—a coalition of more than 150 individuals across over 20 organizations statewide—strongly supports HB 1618 HD1, relating to cesspool conversions. This measure establishes and appropriates funds for a cesspool conversion loan special fund, to be administered by the Hawai'i Green Infrastructure Authority, to provide low-interest loans to eligible homeowners for the upgrade, conversion, or connection of cesspools.

Cesspools remain a significant source of groundwater contamination and coastal water pollution in Hawai'i, threatening drinking water supplies, public health, nearshore ecosystems, and coral reefs. Accelerating conversions is essential to meeting the State's water quality goals and protecting both communities and marine resources.

Affordability is a major barrier to cesspool conversion for many property owners. The upfront costs of replacing outdated systems—particularly in rural or coastal areas—can be prohibitive, even for families who want to comply with state requirements and do their part to protect the environment. By creating a dedicated revolving loan fund that offers low-interest financing, HB 1618 HD1 provides a practical, market-based tool to help homeowners move forward with needed upgrades without undue financial strain.

We also respectfully offer one small, friendly amendment to strengthen the implementation of this measure. Specifically, we kindly ask that the effective date be modified to take effect upon approval by the Governor. This adjustment would allow the City and County of Honolulu to immediately deploy funding and accelerate cesspool conversion efforts without unnecessary delay.

*The Hawai'i Ocean Legislative Task Force advocates for measures that advance cesspool conversion and wastewater management, protect Hawai'i's coral reefs and reef fish, ensure transparent and sustainable implementation of the Green Fee program and long-term environmental staffing, and support other measures that strengthen Hawai'i's coastal and marine ecosystems.*

For these reasons, the Ocean Legislative Task Force urges your support for HB 1618 HD1 and appreciates the Legislature's continued commitment to protecting Hawai'i's water resources and coastal ecosystems.

Mahalo for the opportunity to testify on this important measure.

*The Hawai'i Ocean Legislative Task Force advocates for measures that advance cesspool conversion and wastewater management, protect Hawai'i's coral reefs and reef fish, ensure transparent and sustainable implementation of the Green Fee program and long-term environmental staffing, and support other measures that strengthen Hawai'i's coastal and marine ecosystems.*

April 9, 2026

**The Honorable Mike Gabbard, Chair**

Senate Committee on Agriculture and Environment

**The Honorable Joy A. San Buenaventura, Chair**

Senate Committee on Health and Human Services

**The Honorable Donovan M. Dela Cruz, Chair**

Senate Committee on Ways and Means

State Capitol, Conference Room 211 & Videoconference

**RE: House Bill 1618, HD1, Relating to Cesspool Conversions**

**HEARING: Thursday, April 9, 2026, at 10:20 a.m.**

Aloha Chair Gabbard, Chair San Buenaventura, Chair Dela Cruz, 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** House Bill 1618, HD1, which establishes and appropriates funds for a cesspool conversion revolving loan fund, to be administered by the Hawai'i Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools. Effective 7/1/3000.

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 priorities<sup>1</sup> across the State and to convert 83,000 cesspools by 2050, at least 3,458 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>

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

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



 808-733-7060

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

 808-737-4977

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Most homeowners will not be able to afford to do this alone and need additional assistance to ensure they can meet the mandate to convert. As such, this financing program can be a beneficial tool in helping low- and moderate-income homeowners convert their cesspools to a DOH approved wastewater system.

Mahalo for the opportunity to provide testimony on this measure.



## TESTIMONY IN SUPPORT OF HB 1618 HD1 RELATING TO CESSPOOL CONVERSIONS

AEN/HHS/WAM

April 9, 2026

10:20 AM

Aloha Chairs, Vice Chairs, and Members of the Committees,

My name is Frederick Smith. I live in the Kealakekua ahupua'a in the Kona moku on Hawai'i Island. I am also a homeowner with a cesspool, so I understand firsthand the cost barriers that this bill addresses. I **strongly support HB 1618 HD1**.

Cesspool conversion is one of the most important actions that the State of Hawai'i can take to reduce land-based sources of pollution that impact public health, coastal ecosystems, and local economies. However, the high upfront cost of conversion remains a major barrier for many households, including myself and many of my friends and neighbors in South Kona. Without accessible financing, most of us are left without realistic options to move forward.

This bill takes an important step forward by establishing a revolving loan fund to provide low-interest and forgivable loan options. This approach helps ensure that the burden of compliance does not fall disproportionately on low- and middle-income homeowners in rural and underserved communities, while creating a financing mechanism that can be sustained over time. This kind of support will be essential if the State of Hawai'i is to meet its conversion goals in a realistic and equitable way.

From an environmental perspective, cesspools are a direct pathway for nutrient pollution into nearshore waters. In areas like the Kealakekua ahupua'a, where I live and where most of my community relies on cesspools, there is ongoing concern about how groundwater is transporting nutrients such as nitrogen and phosphorus, as well as contaminants, into the ocean, contributing to reef degradation and reduced resilience. We don't want to be part of the problem, but without loan assistance, we have no realistic options.

I am glad to see that the bill allows the revolving loan fund to receive funding from federal, state, county, and private sources. I encourage the Legislature to design this bill to ensure these funding sources are not only allowed but also used to grow the fund, including tax-deductible private contributions and federal, foundation, and infrastructure grants, for example, by enabling the fund to accept donations and actively pursue outside funding. Given the strong connections between cesspool conversion, water quality, and climate resilience, there is a significant opportunity to expand the fund's impact by more intentionally accessing external funding sources, while also relieving pressure on the State.

This would allow the fund to function not just as a financing tool, but as a platform for coordinated public and private investment in water quality and reef protection.

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

Frederick Smith

Captain Cook, Hawai'i

Thursday, April 9, 2026

10:20 AM HST

April 8, 2026

Aloha Chair Senator Mike Gabbard, Chair Senator Joy A. San Buenaventura, Chair Senator Lynn Decoite, Vice Chair Senator Glenn Wakai, and members of the committee on HHS/AEN/EDT [Health and Human Services/Agriculture and Environment/Economic Development and Tourism] and WAM [Way and Means],

As graduate students at Hawai‘i Pacific University in the Marine Science Master’s Program and residents of O‘ahu, we are writing this testimony in **strong support of SB2770**, which will establish a Cesspool Conversion Loan Special Fund. This fund will be administered by Hawai‘i Green Infrastructure and will provide financial assistance through low-interest loans or forgivable loans to eligible homeowners for upgrade, conversion, or connection of cesspools. This measure, alongside the House companion measure, HB1618, are necessary for the state of Hawai‘i to address urgent water quality issues and protect our marine environments.

According to the Department of Health, Hawai‘i has approximately 88,000 cesspools and almost half (43,000) of these cesspools pose a high risk to our water resources. With approximately 53 million gallons of untreated sewage going into the ground each day, this presents a high potential threat of harming the health of citizens. Alongside the human health impact, these systems cause significant distress to our coral reefs, leading to decreased marine species diversity and local livelihoods. Most homeowners cannot afford to upgrade their cesspools, marking the importance and urgency to pass this bill to provide financial support and relief for homeowners who care for both human and environmental health. In order to meet the quickly approaching 2050 cesspool elimination deadline, it is critical to propel this bill forward alongside its companion bill (HB1618).

The establishment of the Cesspool Conversion Loan Special Fund is essential in supporting low and moderate income households in service of Hawai‘i’s initiatives of environmental improvement and equity. To provide direct assistance for the residents and accountability of how we manage the marine environment of Hawai‘i, the time to act is now.

We respectfully urge you to move SB2770 through this committee and appreciate your leadership in addressing Hawai‘i’s wastewater pollution challenges and financial wellbeing.

Mahalo nui loa for the opportunity to submit testimony on this measure,

Kennedy Jackson	Celeste Mann	Brianna Hauser	Charlene Turcotte-Meunier
Barbara Quimby, PhD	Shivang Sharma	Sean Hamel	Noah Clarkson
Ava Dufort	Emma Kavanaugh	Olivia Fanelli	Malia Llerena

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**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kaua'i, Hawai'i 96766

April 7, 2026

**TESTIMONY OF FELICIA COWDEN**  
**COUNCILMEMBER, KAUAI COUNTY COUNCIL**  
**ON**  
**HB 1618, HD 1, RELATING TO CESSPOOL CONVERSIONS**  
Senate Committee on Agriculture and Environment  
Senate Committee on Health and Human Services  
Senate Committee on Ways and Means  
Thursday, April 9, 2026  
10:20 a.m.  
Conference Room 211  
Via Videoconference

Dear Chair Gabbard, Chair San Buenaventura, Chair Dela Cruz, and Members of the Committees:

Thank you for this opportunity to provide testimony in SUPPORT of HB 1618, HD 1, Relating to Cesspool Conversions. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council and as the Public Safety & Human Services Committee Chair.

I support HB 1618, HD 1, because of the currently unfunded mandate requiring the conversion of all cesspools by 2050 at the latest, with much earlier deadlines for higher-priority areas across the State of Hawai'i, which creates a persistent hardship for home repair, adaptation, and sales. This problem is especially challenging on Kaua'i where there are approximately thirteen thousand seven hundred (13,700) cesspools on the island with conversion costs varying wildly, often ranging from fifty thousand dollars (\$50,000) to over seventy thousand dollars (\$70,000) per cesspool conversion. Such an immense individual financial burden only compounds an already fragile economic outlook for our population. Consequently, a revolving fund for low-interest or forgivable loans would help ease this burden.

*Mahalo* for this opportunity to provide testimony in support of HB 1618, HD 1. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

FELICIA COWDEN  
Councilmember, Kaua'i County Council

RM:ss

**HB-1618-HD-1**

Submitted on: 4/7/2026 3:19:58 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

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

Comments:

HB1618 will make it easier for some residents to convert their cesspools - a high priority for the health of Hawaii residents. I strongly support HB1618.

**HB-1618-HD-1**

Submitted on: 4/7/2026 2:29:19 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mark Hixon	Individual	Support	Written Testimony Only

Comments:

As a marine biologist who has studied Hawai'i's coral reefs since the 1970s, I have personally witnessed the decline of these extremely valuable natural resources. One of the main culprits has been poor coastal water quality stimulating the growth of seaweeds that smother living coral, killing our reefs. Cesspools leach wastewater into our coastal ocean, containing chemicals that fertilize those seaweeds. I urge you to pass this bill.

**HB-1618-HD-1**

Submitted on: 4/7/2026 1:04:49 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Sherry Pollack	Individual	Support	Written Testimony Only

Comments:

Thousands of cesspool owners who are required to connect to sewer, or upgrade their existing cesspools may not be able to qualify for bank or credit union financing. This bill will help address this important concern. Please pass this much-needed measure!

**HB-1618-HD-1**

Submitted on: 4/7/2026 12:06:19 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Members of the Committee,

I am writing in **strong support** of HB1618, which establishes and appropriates funds for a cesspool conversion revolving loan fund to be administered by the Hawai‘i Green Infrastructure Authority (HGIA). This bill will provide critical financial assistance—including low-interest or forgivable loans—to eligible homeowners for the upgrade, conversion, or connection of cesspools.

**The Problem: A Looming Deadline and Unaffordable Costs**

Every cesspool in Hawai‘i, unless exempted, must be upgraded or converted to a Director of Health-approved wastewater system or connected to a sewerage system by **January 1, 2050**. This mandate is essential to protect our groundwater, nearshore waters, and coral reefs from the pollution caused by tens of thousands of cesspools across the state. But the mandate comes with a staggering price tag for homeowners.

The average cost to convert a cesspool to a septic system ranges from **\$40,000 to \$50,000**. For many families—especially those on fixed incomes, living on Department of Hawaiian Home Lands properties, or already struggling with Hawai‘i's high cost of living—this is simply unaffordable. Without financial assistance, we risk forcing families out of their generational homes or creating widespread noncompliance as the deadline approaches.

The Legislature has consistently recognized this challenge. Previous sessions have established grant programs and pilot projects to assist homeowners, with grant amounts increased from \$20,000 to \$30,000 in 2024. But grants alone are not enough. Many homeowners cannot afford the upfront costs even with the promise of reimbursement.

A 2024 Senate committee report explicitly found that "the high cost to upgrade, convert, or connect a cesspool prevent property owners from promptly complying with this legislative mandate" and that "actual progress towards the upgrade, conversion, and connection of cesspools must begin soon for property owners to meet the statutory deadline of January 1, 2050."

**What HB1618 Does**

HB1618 addresses this gap by establishing a **cesspool conversion revolving loan fund**, to be administered by the Hawai‘i Green Infrastructure Authority. The bill empowers HGIA to provide financial assistance—including low-interest or forgivable loans—to eligible homeowners for the upgrade, conversion, or connection of cesspools.

This approach builds on successful models both within Hawai‘i and elsewhere. HGIA already administers green energy loan programs and has the expertise to manage revolving loan funds effectively. The revolving fund structure means that as loans are repaid, the money becomes available to help additional homeowners, creating a sustainable source of financing that serves more families over time.

### **Why Loans Matter**

For many homeowners, access to affordable credit is the difference between compliance and noncompliance. As a 2024 committee report noted, the State must "make upgrading, converting, and connecting practicable for the average cesspool owner." HB1618 does exactly that by:

- **Providing upfront financing** so homeowners can complete conversions without depleting their savings;
- **Offering low-interest terms** that make monthly payments manageable;
- **Including forgivable loans** for those who need the deepest assistance;
- **Creating a revolving structure** that maximizes the impact of every dollar appropriated.

This approach complements existing grant programs. Grants can cover a portion of costs, but loans bridge the gap between what a grant provides and what a project actually costs. Together, they create a comprehensive safety net for homeowners.

### **A Model Already Working**

The need for this financing is not theoretical—it is already being demonstrated in our communities. Kaua‘i Federal Credit Union, in partnership with Filene Research Institute, has developed a cesspool conversion loan program specifically for Native Hawaiian families on Department of Hawaiian Home Lands properties. Their program allows members to secure the full amount upfront, defer payments during construction, and apply grant funds to the loan balance once the project is finished. More than 100 local residents have received application assistance, with dozens completing conversions or qualifying for funding.

This is exactly the kind of solution HB1618 would scale statewide. What works on Kaua‘i can work across the islands—but it requires state investment to reach every family in need.

### **Environmental and Cultural Imperative**

The stakes extend beyond individual homeowners. Cesspools are a significant source of water pollution, contaminating groundwater and nearshore waters that sustain our ecosystems, our reefs, and our communities. To reduce water pollution, we must accelerate conversions. Every year we delay means more pollution entering the waters that define Hawai‘i.

For Native Hawaiian families on Hawaiian home lands, the urgency is even greater. These are families with generational ties to their land, now facing mandates that threaten to displace them if costs prove insurmountable. HB1618 is a tool for keeping families rooted in their communities—for honoring the connection between people and place that defines Hawai‘i.

The 2050 deadline is not a distant future—it is approaching rapidly. Progress must begin now. HB1618 provides the financing tool that thousands of homeowners need to comply with the law, protect our environment, and remain in their homes.

I urge this committee to pass HB1618 and invest in the revolving loan fund that will make cesspool conversions achievable for Hawai‘i's families.

Mahalo for the opportunity to testify.

**HB-1618-HD-1**

Submitted on: 4/7/2026 10:50:59 AM

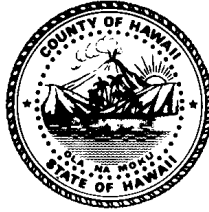
Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emma Waters	Individual	Support	Written Testimony Only

Comments:

Writing in support of this bill to assist people with their cesspool conversions. Mahalo.

**HEATHER L. KIMBALL**  
**COUNCIL DISTRICT 1**  
*(North Hilo, Hāmākua, and portion of Waimea)*



Phone: (808) 961-8828  
Fax: (808) 961-8912  
Email: [Heather.Kimball@hawaiicounty.gov](mailto:Heather.Kimball@hawaiicounty.gov)

**HAWAI‘I COUNTY COUNCIL**  
*25 Aupuni Street, Ste. 1402, Hilo, Hawai‘i 96720*

April 7, 2026

Senate Committee on Agriculture and Environment  
Honorable Senator Mike Gabbard, Chair  
Honorable Senator Herbert M. “Tim” Richards, Vice Chair

Senate Committee on Health and Human Services  
Honorable Senator Joy A. San Buenaventura, Chair  
Honorable Senator Angus L.K. McKelvey, Vice Chair

Senate Committee on Economic Development and Tourism  
Honorable Senator Lynn DeCoite, Chair  
Honorable Senator Glenn Wakai, Vice Chair  
**Submission via online testimony only**

**RE: Support of HB 1618, HD1 – Relating to Cesspool Conversions**

Dear Chair Gabbard, Vice Chair Richards, Chair San Buenaventura, Vice Chair McKelvey, Chair DeCoite, Vice Chair Wakai, and Members of the Committees on Agriculture and Environment, Health and Human Services, and Economic Development and Tourism:

I write in strong support of H.B. 1618 (H.D. 1), which establishes a cesspool conversion revolving loan fund and financing program to assist Hawai‘i’s residents in upgrading or converting existing cesspools to environmentally safe wastewater systems.

As the Hawai‘i County Council Member representing District 1, I serve communities that are directly impacted by the ongoing challenges associated with cesspool systems. Many households in our district continue to rely on aging cesspools, which pose risks to public health, groundwater, and nearshore marine ecosystems. The State’s mandate to convert all cesspools by 2050 is an important and necessary step; however, the financial burden associated with conversion remains a significant barrier for many residents.

H.B. 1618 (H.D. 1) provides a thoughtful and practical solution by creating a dedicated financing mechanism that offers low-interest and forgivable loan options, with a focus on assisting low- and moderate-income households. By leveraging the expertise of the Hawai‘i Green Infrastructure Authority and allowing for flexible funding sources, this measure will help accelerate cesspool conversions statewide while ensuring that the process remains equitable and accessible.

Senate Committees on Agriculture and Environment; Health and Human Services; and Economic Development  
and Tourism  
Hawai'i County Council Member Heather L. Kimball Written Testimony in Support  
H.B. 1618, HD1  
April 7, 2026  
Page 2

For communities in Hawai'i, where environmental stewardship and the protection of our natural resources are deeply valued, this measure represents a meaningful investment in both public health and environmental sustainability. Supporting homeowners in making these critical upgrades will reduce pollution, protect drinking water sources, and preserve the health of our reefs and coastal waters for future generations.

I respectfully urge your favorable consideration of H.B. 1618 (H.D. 1). Thank you for the opportunity to provide testimony in support of this important measure.

Sincerely,

A handwritten signature in cursive script that reads "Heather L. Kimball".

HEATHER L. KIMBALL

**HB-1618-HD-1**

Submitted on: 4/7/2026 11:15:57 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Beth Anderson	Individual	Support	Written Testimony Only

Comments:

I strongly support HB 1618. I've been testifying on cesspool elimination bills for years and yet we still are dealing with pollution problems in our streams, canals, bays and ocean waters from untreated sewage coming from cesspools. This is a health hazard for marine life as well as Hawaii's people and addressing this issue is critical. Please don't delay action on eliminating cesspools and pass this bill that will address the financial barriers preventing homeowners from converting or upgrading their cesspools in order to eliminate untreated sewage being released into our environment. We see the problem in Kailua Bay continually.

Thank you,

Beth Anderson

Kailua, Hawaii

**HB-1618-HD-1**

Submitted on: 4/7/2026 10:48:48 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ryan Dadds, PA-C	Individual	Support	Written Testimony Only

Comments:

I support HB1618. Hawaii's 88,000 cesspools are one of the biggest threats to water quality across the state, discharging 53 mgd sewage into coastal waters. The state government needs to finally move away from relying on these antiquated and ineffective systems for managing household wastewater to keep our island clean and our people healthy.

Ryan Dadds

**HB-1618-HD-1**

Submitted on: 4/7/2026 7:50:52 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

**STRONG SUPPORT!!! MAHALO!**

**HB-1618-HD-1**

Submitted on: 4/7/2026 7:59:42 PM

Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Roberts "Bob" Leinau	Individual	Support	Written Testimony Only

Comments:

The waters of life is an important fact and concept that requires attention. Cesspools are known to leach pollutants into both drinking water and into the ocean environment. It is a problem that must be addressed. Sooner is better as it will take years to show meaningful progress. Mahalo!.

**HB-1618-HD-1**

Submitted on: 4/7/2026 9:04:10 PM

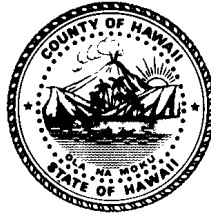
Testimony for AEN on 4/9/2026 10:20:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maura Glovins	Individual	Support	Written Testimony Only

Comments:

I believe in the right to clean water. This includes the water that flows near my home, my work, and our schools. As a frequent recreator of the ocean and someone who is a school teacher that takes kids to local beaches, the negative impact that cess pools and improper water filtration has on ocean health and in turn human health is a threat to our community. With increased flooding events and abnormalities in weather patterns due to climate change, the need for this bill becomes greater each year. The earlier we begin converting cesspools and create a recurring funding source, the healthier our communities will be in the future. Thank you for your time. I hope the legislator votes with clean water and improved community health.

**Holeka Goro Inaba, Ed.D.**  
Council Chair, District 8, North Kona



Office: (808) 323-4280  
Email: [holeka.inaba@hawaiicounty.gov](mailto:holeka.inaba@hawaiicounty.gov)

## HAWAI'I COUNTY COUNCIL

County of Hawai'i  
West Hawai'i Civic Center, Bldg. A  
74-5044 Ane Keohokalole Hwy.  
Kailua-Kona, Hawai'i 96740

April 8, 2026

### COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair  
Senator Herbert M. "Tim" Richards, III, Vice Chair

### COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair  
Senator Angus L.K. McKelvey, Vice Chair

### COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

RE: **Support for HB1618, HD1**, RELATING TO CESSPOOL CONVERSIONS.  
Establishes and appropriates funds for a cesspool conversion revolving loan fund, to be administered by the Hawaii Green Infrastructure Authority, to provide financial assistance, including low-interest or forgivable loans, to eligible homeowners for the upgrade, conversion, or connection of cesspools.

Hearing: **April 9, 2026 at 10:20 a.m.**

Aloha Chairs, Vice Chairs, and Members of the Committees,

I am writing in strong support of H.B. 1618, H.D. 1, which establishes a cesspool conversion revolving loan fund and financing program under the Hawai'i Green Infrastructure Authority.

Cesspools remain a significant environmental and public health concern throughout Hawai'i, and particularly in West Hawai'i, where many communities in North Kona continue to rely on outdated wastewater systems. These systems contribute to the contamination of our nearshore waters, reefs, and groundwater resources, threatening both ecosystem health and the well-being of our residents.

While the State's mandate to upgrade or convert cesspools by 2050 is an important step forward, the high cost of conversion remains one of the greatest barriers for homeowners. For many

families in my district and across Hawai‘i County, the upfront expense—often tens of thousands of dollars—is simply out of reach.

H.B. 1618 provides a practical and much-needed solution by creating a dedicated financing mechanism to assist homeowners. By offering low-interest and potentially forgivable loans, this measure will help accelerate cesspool conversions, particularly for low- and moderate-income households who may not otherwise qualify for traditional financing.

Importantly, this bill also leverages existing funding sources, including the Water Pollution Control Revolving Fund, and allows for flexible program administration. This approach maximizes the State’s ability to address a pressing environmental issue efficiently and equitably.

For communities like North Kona, where protecting our coastal waters is directly tied to our economy, cultural practices, and quality of life, this investment is critical. Supporting homeowners in transitioning away from cesspools will have long-term benefits for water quality, public health, and environmental sustainability.

Thank you for the opportunity to testify in strong support of this measure.

Sincerely,



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HOLEKA GORO INABA, Ed.D.,  
Council Chair, District 8, North Kona

HGI.wpb