
Testimony Presented Before the Senate Committee on Ways and Means Thursday March 2, 2023 at 10:00 a.m.

By

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And

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SB 777 SD1 - RELATING TO CESSPOOLS

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) and UH Water Resources Research Center **support** SB 777 SD1. The Cesspool Conversion Working Group recently 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 a multitude of mechanisms for financial assistance be created for homeowners.

This bill would provide financial relief to those who are upgrading their cesspools through a temporary income tax credit. This tax credit would offset some of the financial difficulties of cesspool conversion and upgrades. Its temporary nature will hopefully incentivize conversion to occur in the near-term, which benefits human and environmental health outcomes. Because this bill adds responsibilities for the Department of Health related to the certification of cesspools, collection and maintenance of expense records, and tracking the amount of credit each taxpayer may claim, our departments encourage the legislature's support of personnel capacity increases at the Department of Health so that they can effectuate their growing responsibilities related to cesspool conversion.

Thank you for the opportunity to testify on this measure.