

Testimony of the Hawaii Harbor Users Group
Support of HB1101, HD1, SD1
Before the Committee on Judiciary and
Ways and Means
April 6, 2023

Dear Chair Rhoads, Chair Dela Cruz, Vice Chair Gabbard, Vice Chair Keith-Agaran, and Members of the Committees:

The Hawaii Harbor Users Group (HHUG) is a non-profit maritime transportation industry group comprised of key commercial harbor users statewide. HHUG supports HB1101, HD1, SD1, which clarifies the authority of the counties to establish and charge user fees to create and maintain a stormwater system.

As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent Hawaii's imported goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling to service our residents and businesses.

The Department of Transportation Harbors Division allows the City and County of Honolulu to discharge stormwater at various points of the Hawaii harbor system at no cost to the City. This measure clarifies that the counties may not charge a state department a fee related to maintaining a stormwater system if that department is responsible for the maintenance and operation of a stormwater management system that connects to a county stormwater system. This clarification prevents any extra costs related to stormwater system management and promotes coordination between Municipal Separate Storm Sewer System and National Pollutant Discharge Elimination System permittees.

Thank you for considering our testimony in support.



TESTIMONY BY:
EDWIN H. SNIFFEN
DIRECTOR

Deputy Directors
DREANALEE K. KALILI
TAMMY L. LEE
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JAMES KUNANE TOKIOKA

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

April 6, 2023
10:46 AM
State Capitol, Room 211

H.B. 1101 H.D. 1, S.D.1
RELATING TO STORMWATER FEES

Senate Committees on Judiciary & Ways and Means

The Department of Transportation (DOT) is in strong **support** of this measure. This bill was included in the Governor's Package at the request of DOT and seeks to clarify the authority of the counties to establish and charge user fees to create and maintain any stormwater system.

DOT supports the S.D 1 that proposes a cap for stormwater fees that a county may assess to the department.

Over the past two years, the annual stormwater fees proposed by the City and County of Honolulu for Harbors and Airports have ranged vastly and it is unclear what fee schedule is likely to be approved by the City Council. This measure and the proposed cap therein ensures that DOT can plan for a maximum fee on an annual basis, should the counties impose such a fee structure.

Like the City and County of Honolulu and the County of Maui, DOT also manages its own Municipal Separate Storm Sewer System (MS4) and National Pollutant Discharge Elimination System (NPDES) permits. DOT aims to reduce, to the maximum extent practicable, the discharge of pollutants to and from the MS4, protect water quality, comply with permit requirements and satisfy the appropriate water quality requirements of the Clean Water Act.

DOT meets its permit responsibilities in managing stormwater including, but not limited to, inspections, preventative maintenance, cleaning drainage structures and outfalls, sweeping facilities to mitigate debris from entering the system during storms, and tenant trainings to promote compliance. DOT spends about \$24 million on an annual basis (Airports \$6 million, Harbors \$2 million, and Highways \$16 million) on its stormwater programs.

During the development of the Airports, Harbors, and Highways stormwater infrastructure, the City and County of Honolulu connected its facilities to DOT's various

storm drains with certain outfalls directly onto state facilities before flowing into the ocean waters. DOT currently allows the City and County of Honolulu MS4 to discharge stormwater at various points into the DOT MS4 systems at no cost or expense to the City.

Thank you for the opportunity to provide testimony.

Testimony of Matson Navigation Company, Inc.
Support of HB1101, HD1, SD1
Before the Committees on Judiciary and
Ways and Means
April 6, 2023

Dear Chair Rhoads, Chair Dela Cruz, Vice Chair Gabbard, Vice Chair Keith-Agaran, and Members of the Committees:

Matson Navigation Company, Inc. (Matson) supports HB1101, HD1, SD1 which clarifies the authority of the counties to establish and charge user fees to create and maintain a stormwater system.

As an island state, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded flow of cargo in and out of our State. It is estimated that over 90 percent Hawaii's imported goods pass through our commercial harbors, including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of our commercial harbors, it is imperative that the State support dependable and efficient cargo transportation and handling to service our residents and businesses.

The Department of Transportation Harbors Division allows the City and County of Honolulu to discharge stormwater at various points of the Hawaii harbor system at no cost to the City. This measure clarifies that the counties may not charge a state department a fee related to maintaining a stormwater system if that department is responsible for the maintenance and operation of a stormwater management system that connects to a county stormwater system. This clarification prevents any extra costs related to stormwater system management and promotes coordination between Municipal Separate Storm Sewer System and National Pollutant Discharge Elimination System permittees.

Thank you for considering our testimony in support.



HAWAI'I COMMUNITY
FOUNDATION

To: The Honorable Karl Rhoads, Chair
The Honorable Mike Gabbard, Vice Chair
And Members of the Senate Committee on Judiciary; and
The Honorable Donovan Dela Cruz, Vice Chair
The Honorable Gilbert Keith-Agaran, Vice Chair
And Members of the Senate Committee on Ways and Means

From: Micah Kāne, Chief Executive Officer & President
Hawai'i Community Foundation

Re: Comments on HB 1101, HD1, SD1, Relating to Stormwater Fees

Date: April 6, 2023

Time: 10:46 A.M.

Place: Via Conference Room 211

My name is Micah Kāne, Chief Executive Officer & President ("HCF"). I am submitting this testimony in to comment on HB 1101, HD1, SD1 which establishes a fee cap amount for county stormwater user fees that may be charged against or collected from the Department of Transportation of \$1,500,000 in the aggregate per year.

We recognize that this bill has been amended to include a fee charge on the Department of Transportation with a cap on the potential payments of \$1.5 million. Over time, that amount may tend to lose its value and we recommend a sunset of five- to ten-years on the capped amount. It should be noted that a material portion of the State's revenue comes from tax dollars collected from non-Hawaii residents. Therefore, through the State paying its fair share of stormwater fees, non-residents are helping pay for our stormwater system. If State lands are exempt, the amount of participation by non-residents is significantly reduced and our local residents will have to pay more. Agreements as to credits to the State for the County's use of State infrastructure should be addressed between the County and State departments at the time Counties implement stormwater programs, as opposed to blanket exemptions to the departments as proposed in HB 1101, HD1.

Our islands are experiencing a range of water quality, flooding, aging infrastructure, and fresh water supply issues related to storm water management, climate change and sea level rise. At the same time, federal requirements under the U.S. Environmental Protection Agency's (EPA) Clean Water Act are imposing increasingly stringent permit standards for storm water runoff management that the City & County of Honolulu must meet, or face very costly fines and penalties. Government officials at the State and County levels recognize the need to take steps to strengthen and expand storm water management services.

Managing and improving our stormwater systems is vital to our environment and the long-term future of our communities. As climate change persists, sustainably managing stormwater will become even more important as sea levels rise and rainfall patterns become less predictable. Stormwater user fees that are calculated under a fair formula provide the best policy and revenue development to take care of this much needed effort. In order to achieve a fair and equitable allocation of the necessary costs, no one, including the State, should be exempted from the fees. For any and every group that is exempted, the burden falls disproportionately on the remaining landowners.

Stormwater management will help promote sustainable stormwater practices that enhance water recharge and is a strong component of Hawaii's sustainability goals, notably the 2016 Sustainable Hawai'i Initiative highlighted the need to protect nearshore ocean waters by reducing sediment and pollution and the State of Hawai'i adopted the Aloha+ Challenge goal of minimizing the impacts of land use on the natural environment. Hawai'i Community Foundation's Fresh Water Initiative also adopted the 2030 target of increasing water security by 100 million gallons per day. Part of this target is increasing recharge by 30 million gallons per day by 2030, which will not only result in increased water security but will also reduce runoff pollution and overflows that result in flooding.

Hawai'i Community Foundation has dedicated both time and resources to assist the City & County of Honolulu with community meetings and planning to identify the stormwater system needs and solutions, including development of a fair use fee structure. This public private partnership with the philanthropic community looks to help achieve these environmental and community goals. We appreciate the opportunity to comment on this measure and want, as we believe that you do, Hawai'i to continue being a leader in sustainability, connecting climate change mitigation and the health and prosperity of our communities.



"Advancing the Commercial Real Estate Industry through Education, Networking and Advocacy"

Committee: Senate Judiciary
Senate Ways and Means
Date: Thursday, April 6, 2023
Time: 10:46 A.M.
Place: Via Conference Room 211
RE: HB 1101, HD1, SD1, Relating to Stormwater Fees

Aloha Chair Rhoads, Chair Dela Cruz, Vice Chair Gabbard, Vice Chair Keith-Agaran, and members of the committees:

Thank you for the opportunity to submit testimony on House Bill 1101, HD1, SD1.

We are the Building Owners and Managers Association of Hawai'i (BOMA Hawai'i) testifying with **comments** on HB 1101, HD1, SD1, Relating to Stormwater Fees.

Stormwater utilities across the country equitably distribute stormwater fees across properties, including those owned by State and Federal agencies and the private for-profit and non-profit sectors. Capping the fees of the State Department of Transportation would redistribute costs, which would land on residents and private for-profit and non-profit sector businesses. This bill has been amended to address our concern about undermining the very formulation of a broad-based stormwater management program that is meant to engage all of the parties who benefit from storm water management, including State, Federal and local governments, as well as nontaxable property owners. The legislature took strong leadership in 2015 with Act 42.

We urge the legislature to stay committed to taking the necessary action to protect the future of our islands from climate change, water shortages, infrastructure failure and inequities. We appreciate the amendments that have already been made to this bill.

BOMA Hawai'i is a non-profit trade association dedicated to advancing the commercial real estate industry through education, networking and advocacy. Please consider BOMA a resource to policy makers. Thank you for the opportunity to testify on this measure.

Sincerely,

Gail M. Abrena-Agas
BOMA Hawai'i Government Affairs Committee Chair, and
Past President

HB-1101-SD-1

Submitted on: 4/5/2023 10:06:17 PM

Testimony for JDC on 4/6/2023 10:46:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

To much Government Control Stop ripping off the People!!!!