

Honolulu, Hawaii

FEB 16, 2024

RE: H.B. No. 1892
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and
Water & Land, to which was referred H.B. No. 1892 entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOLS,"

beg leave to report as follows:

The purpose of this measure is to implement various
recommendations of the Cesspool Conversion Working Group,
including:

- (1) Accelerating the dates for required upgrades,
conversions, or connections to 2035 for priority level 1
cesspools and to 2040 for priority level 2 cesspools,
with certain exceptions;
- (2) Appropriating funds to provide financing assistance
through the Cesspool Compliance Pilot Grant Project; and
- (3) Establishing a cesspool upgrade, conversion, or
connection income tax credit.

Your Committees received testimony in support of this measure
from the Department of Health; Department of Hawaiian Home Lands;
Hawai'i Climate Change Mitigation and Adaption Commission; Hawaii
Green Infrastructure Authority; University of Hawai'i Sea Grant
College Program and Water Resources Research Center; Department of



Environmental Management of the County of Hawai'i; one member of the Kaua'i County Council; Hawai'i Reef and Ocean Coalition; Puako for Reefs; Wastewater Alternatives & Innovations; Environmental Caucus of the Democratic Party of Hawai'i; and numerous individuals. Your Committees received comments on this measure from the Department of the Attorney General; Department of Taxation; Tax Foundation of Hawaii; and Hawai'i Association of REALTORS.

Your Committees find that pollution from cesspools threatens the health of the State's residents and environment. This measure would accelerate the dates for required upgrades, conversions, and connections of certain cesspools, appropriate funds and establish positions for the Cesspool Compliance Pilot Grant Project, and reestablish a cesspool upgrade, conversion, or connection income tax credit.

Your Committees have amended this measure by:

- (1) Deleting the cesspool upgrade, conversion, or connection income tax credit;
- (2) Authorizing and appropriating an unspecified amount for the Department of Health to establish a comprehensive public outreach and education strategy and website;
- (3) Adding appropriations of unspecified amounts to establish positions for the implementation of the Cesspool Compliance Pilot Grant Project;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully request your Committee on Finance, should it deliberate on this measure, to consider the following appropriation amounts:

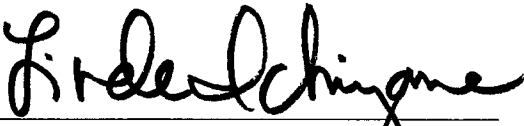
- (1) \$150,000 out of the Water Pollution Control Revolving Fund for the public outreach and education strategy and website;



- (2) \$5,000,000 for implementation of the Cesspool Compliance Pilot Grant Project; and
- (3) \$249,000 for the following positions to implement the Cesspool Compliance Pilot Grant Project:
 - (A) \$89,500 to establish one full-time equivalent (1.0 FTE) permanent Engineer V (SR-26) position;
 - (B) \$82,700 to establish one full-time equivalent (1.0 FTE) permanent Engineer IV (SR-24) position; and
 - (C) \$76,800 to establish one full-time equivalent (1.0 FTE) permanent Accountant IV (SR-24) position.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1892, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1892, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Water & Land,


LINDA ICHIYAMA, Chair


NICOLE E. LOWEN, Chair



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 1892 **Committee Referral:** EEP/WAL, FIN **Date:** 2/13/24

The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega				✓
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.	✓			
6. WOODSON, Justin H.				✓
7. WARD, Gene				✓
TOTAL (7)	4			3

The recommendation is: Adopted Not Adopted
If joint referral, _____ did not support recommendation.
_____ committee acronym(s)

Vice Chair's or designee's signature: *Elle Cochran*

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Record of Votes of the Committee on Water & Land

Bill/Resolution No.: HB1892	Committee Referral: EEP/WAL, FIN	Date: 2/13/24		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. ICHIYAMA, Linda (C)	✓			
2. POEPOE, Mahina (VC)	✓			
3. CHUN, Cory M.	✓			
4. GANADEN, Sonny	✓			
5. HASHEM, Mark J.				✓
6. MIZUNO, May Besario	✓			
7. MORIKAWA, Dee	✓			
8. TAKAYAMA, Gregg	✓			
9. SOUZA, Kanani	✓			
TOTAL (9)	8	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <u>Jirde Luizyane</u>				
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