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# A BILL FOR AN ACT

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RELATING TO CESSPOOLS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

SECTION 1. Chapter 342D, Hawaii Revised Statutes, is amended by adding two new sections to part IV to be appropriately designated and to read as follows:

"§342D-A Advisory council; cesspool conversion. (a) The cesspool conversion advisory council is established and shall be attached to the department of health for administrative purposes only. The advisory council shall investigate issues relating to the upgrade or conversion of a cesspool to a septic system or aerobic treatment unit system, or the connection of cesspools to a sewerage system or other approved wastewater treatment system (to be referred to collectively as "cesspool conversion"), as required by January 1, 2050, pursuant to Act 125, Session Laws of Hawaii 2017 (Act 125). Specifically, the advisory council shall:

(1) Develop criteria to prioritize the conversion of cesspools, based on the severity of risk of adverse



1           human health or environmental impacts, including  
2           impacts to drinking water, groundwater, coastal water,  
3           and coral reef ecosystems;

4       (2)   Identify areas where data is insufficient to determine  
5           a priority classification of cesspools for conversion  
6           and determine methods and resources needed to obtain  
7           and collect the data; and

8       (3)   Develop a long-range comprehensive plan for cesspool  
9           conversion statewide to be known as the cesspool  
10          conversion plan.

11       (b)   The cesspool conversion advisory council shall develop  
12       a long-range comprehensive plan for cesspool conversion  
13       statewide to be known as the cesspool conversion plan which may  
14       include any combination of the following:

15       (1)   Grant programs;

16       (2)   Loan programs;

17       (3)   Tax credits;

18       (4)   Fees;

19       (5)   Special assessment districts;

20       (6)   Requirements for conversion at point of sale; or



(7) Other appropriate mechanisms for accomplishing and funding cesspool conversions.

(c) In developing the cesspool conversion plan, the advisory council shall consider:

(1) A timeline for cesspool conversion and determine whether conversion of the highest priority cesspools should take place prior to January 1, 2050;

(2) Granting exemptions from mandatory conversion based upon geology, topography, soil type, availability of land, or other relevant factors;

(3) Alternative wastewater technologies, such as gray water systems, constructed wetlands, and other available technologies, and how these technologies can be incorporated into part of the long-term solution to wastewater treatment issues;

(4) Measures to encourage and stimulate research and innovation for new wastewater technologies, including systems that treat waste not only for bacteria but also remove nutrients and contaminants that impact the environment;

(5) Best practices in other jurisdictions;



1       (6) The ability of homeowners to pay for cesspool  
2           conversions and mechanisms to provide financial  
3           assistance to lower-income homeowners; and

4       (7) Sources of funding for the cesspool conversion plan,  
5           including state and county funds, federal grants or  
6           loans, fees, real property taxes, the creation of  
7           special assessment districts, and any combination of  
8           funding sources that will best facilitate cesspool  
9           conversion by January 1, 2050, as required under Act  
10          125.

11       (d) The advisory council shall complete the cesspool  
12       conversion plan by December 31, 2019. If the department  
13       approves of the plan, the advisory council shall:

14       (1) Monitor its implementation and report its findings to  
15           the department; and

16       (2) Recommend any necessary rule changes to the director  
17           of health and any necessary statutory changes to the  
18           legislature.

19       (e) The advisory council shall consist of the following ex  
20       officio members:



1       (1) The deputy director for the department of health,  
2           environmental health administration, or the deputy  
3           director's designee, who shall serve as the chair of  
4           the advisory council;

5       (2) The city and county of Honolulu director of  
6           environmental services or designee;

7       (3) The county of Hawaii director of environmental  
8           management or designee;

9       (4) The county of Kauai county engineer or designee;

10      (5) The county of Maui director of environmental  
11         management or designee; and

12      (6) A county director of finance, who shall be appointed  
13         by the Hawaii Council of Mayors.

14      (f) In addition to the ex officio members described in  
15      subsection (e), the chair of the advisory council shall appoint  
16      the following persons as members of the advisory council:

17      (1) A representative from the clean water branch of the  
18         department of health, environmental health  
19         administration, environmental management division;

20      (2) A representative from the department of land and  
21         natural resources, aquatic resources division;



1       (3) A representative from the University of Hawaii at  
2           Manoa, Hawaii institute of marine biology; and

3       (4) A wastewater industry expert, who shall serve as vice-  
4           chair of the advisory council.

5       (g) Advisory council members may recommend additional  
6       members with appropriate specialized expertise to the advisory  
7       council, for approval by the chair.

8       (h) The advisory council may contract for research  
9       services, without regard to chapter 103D, Hawaii Revised  
10       Statutes, that are necessary for the advisory council to carry  
11       out its duties under this section.

12       (i) Members of the advisory council shall be exempt from  
13       section 26-34 and shall serve without compensation, but shall be  
14       reimbursed for reasonable expenses necessary for the performance  
15       of their duties, including travel expenses.

16       (j) The advisory council may hold informational briefings  
17       or public meetings in each county, as deemed necessary, to  
18       gather input from the public on issues related to cesspool  
19       conversion.

20       (k) The advisory council shall submit annual reports,  
21       including any proposed legislation, to the legislature no later



1 than twenty days prior to the convening of each regular session,  
2 beginning with the regular session of 2019.

3 (1) The department of health shall provide administrative  
4 and clerical support required by the advisory council.

5 §342D-B Cesspool compliance pilot grant project. (a)  
6 There is established in the department the cesspool compliance  
7 pilot grant project to assist owners of real property with a  
8 cesspool that the department has assigned to priority level one  
9 in the department's December 2017 report to the legislature  
10 relating to cesspools and prioritization for replacement, which  
11 was prepared in response to Act 125, Session Laws of Hawaii 2017  
12 (cesspools report). Specifically, the pilot project will assist  
13 the owners in meeting the costs of:

14 (1) Upgrading or converting a cesspool to a septic system,  
15 aerobic treatment unit system, or other advanced  
16 treatment system approved by the department; or

17 (2) Connecting a cesspool to a sewerage system.

18 (b) The department shall not grant awards to any owner of  
19 real property with a cesspool unless the department has assigned  
20 the cesspool to priority level one in the department's cesspools  
21 report.



1        (c) No grant under this section shall be awarded to a  
2 property owner of a cesspool who is:

3        (1) A taxpayer filing a single return or a married person  
4 filing separately with a Hawaii adjusted gross income  
5 of \$                      or more;

6        (2) A taxpayer filing as a head of household with a Hawaii  
7 adjusted gross income of \$                      or more; or

8        (3) A taxpayer filing a joint return or as a surviving  
9 spouse with a Hawaii adjusted gross income of \$  
10 or more.

11       (d) The department shall adopt rules as necessary to carry  
12 out the pilot grant project; provided that the rules shall  
13 include a method of calculating a sliding scale grant amount  
14 based upon the Hawaii adjusted gross income of the owner of the  
15 property with a cesspool.

16       (e) The department shall terminate the pilot grant project  
17 when:

18       (1) The cesspool advisory council submits its cesspool  
19 conversion plan pursuant to section 342D-A(d); or





1       (2) The department adopts a new project or program that is  
2               based upon the recommendations of the cesspool  
3               advisory council,  
4       whichever occurs first."

5                               PART II

6       SECTION 2. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$               or so much  
8 thereof as may be necessary for fiscal year 2018-2019 for the  
9 operational costs of the advisory council established under  
10 section 1 of this Act, including the procuring of a contract for  
11 any necessary research services.

12       The sum appropriated shall be expended by the department of  
13 health for the purposes of this Act.

14                               PART III

15       SECTION 3. In codifying the new sections added by section  
16 1 of this Act, the revisor of statutes shall substitute  
17 appropriate section numbers for the letters used in designating  
18 the new sections in this Act.

19       SECTION 4. New statutory material is underscored.



1 SECTION 5. This Act shall take effect on July 1, 2018.

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INTRODUCED BY:

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JAN 24 2018



# H.B. NO. 2626

**Report Title:**

Cesspool Compliance; Advisory Council; Cesspool Conversion Plan;  
Pilot Grant Project; Appropriation

**Description:**

Implements Act 125, SLH 2017, by: (1) establishing an advisory council to study issues relating to cesspool conversion; (2) requiring the advisory council to develop a long-range comprehensive plan for cesspool conversion statewide; and (3) creating a pilot grant project for cesspool owners. Appropriates moneys.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

