

JAN 19 2018

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# A BILL FOR AN ACT

RELATING TO CESSPOOLS.

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

1       SECTION 1. The legislature finds that the State has  
2       eighty-eight thousand cesspools, more than any other state in  
3       the nation. Collectively, these cesspools leach approximately  
4       53,000,000 gallons of sewage into Hawaii's groundwater every day  
5       — the same groundwater that provides over ninety per cent of all  
6       drinking water in the State. These cesspools also pose harms to  
7       the environment and recreational areas.

8       The legislature finds that state law requires that all  
9       cesspools be replaced by 2050. The legislature finds that this  
10      task is estimated to cost \$1,750,000,000.

11      The legislature also finds that the department of health  
12      has published a report on cesspools identifying fourteen  
13      priority areas, including forty-three thousand cesspools  
14      requiring urgent action. The legislature further finds that the  
15      damaging impact of cesspools has recently received increased  
16      media coverage.



1       The legislature additionally finds that section 235-16.5,  
2       Hawaii Revised Statutes, provides for a tax credit to  
3       incentivize cesspool owners, and especially those who live near  
4       water sources, to replace their cesspool with sewer or septic  
5       systems. However, this tax credit is scheduled to expire in  
6       2020.

7       Therefore, the purpose of this Act is to help protect the  
8       State's drinking and recreational waters by extending the  
9       duration of the cesspool tax credit through 2025.

10       SECTION 2. Act 120, Session Laws of Hawaii 2015, is  
11       amended by amending section 4 to read as follows:

12       "SECTION 4. This Act shall take effect on July 1, 2015,  
13       and shall apply to taxable years beginning after December 31,  
14       2015; provided that this Act shall be repealed on December 31,  
15       ~~[2020-]~~ 2025."

16       SECTION 3. Section 235-16.5, Hawaii Revised Statutes, is  
17       amended by amending subsection (h) to read as follows:

18       "(h) This section shall not apply to taxable years  
19       beginning after December 31, ~~[2020-]~~ 2025."

20       SECTION 4. Statutory material to be repealed is bracketed  
21       and stricken. New statutory material is underscored.



# S.B. NO. 2335

1 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

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# S.B. NO. 2335

**Report Title:**

Tax Credit; Cesspool; Extension

**Description:**

Extends the duration of an existing temporary tax credit for cesspool replacement from December 2020 to December 2025.

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

