STAND. COM. REP. NO. 202

Honolulu, Hawaii

FEB 0 5 2018

RE: S.B. No. 2567 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 2567 entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOLS,"

begs leave to report as follows:

The purpose and intent of this measure is to require cesspools to be upgraded, converted, or connected by connecting to a sewer system or installing an individual wastewater system that complies with Department of Health rules, within one hundred eighty days after the sale of the property.

Your Committee received testimony in support of this measure from the Department of Health, Surfrider Foundation, Friends of Hanauma Bay, Environmental Caucus of the Democratic Party of Hawai'i, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, and two individuals. Your Committee received testimony in opposition to this measure from the Office of the Mayor of the County of Hawaii and Hawaii Association of REALTORS.

Your Committee finds that Hawaii has 88,000 cesspools that deposit approximately 53,000,000 gallons of raw sewage directly into the groundwater every day. Drinking water, public recreation, and the precious coral reefs, on which Hawaii's economy, shoreline, recreation, fisheries, and native species depend, are or may be harmed by such pollution. Your Committee

further finds that upgrading cesspools can be very expensive, therefore it is ideal that cesspools be required to be upgraded at a time when owners have an ability to negotiate costs and pay for the upgrade, such as at or within one hundred eighty days of the sale of the property.

Your Committee further finds that the Department of Health recently released its 2018 report to the Legislature titled Relating to Cesspools and Prioritization for Replacement, in which the Department of Health identifies priority upgrade areas and assigns cesspools one of the following priority levels:

- (1) Priority 1: Significant Risk of Human Health Impacts, Drinking Water Impacts, or Draining to Sensitive Waters;
- (2) Priority 2: Potential to Impact Drinking Water;
- (3) Priority 3: Potential Impacts on Sensitive Waters; or
- (4) Priority 4: Impacts Not Identified.

Your Committee finds that cesspools that have been identified by the Department of Health as priorities for upgrade should also be prioritized within this measure.

Accordingly, your Committee has amended this measure by:

- (1) Limiting the requirement to upgrade cesspools within one hundred eighty days of the sale of the property to property located within priority upgrade areas and identified as priority level 1, 2, or 3, as determined by the Department of Health;
- (2) Adding language to allow for property identified as priority level 4 and included in additional priority upgrade areas to be required to be upgraded within one hundred eighty days of the sale of the property, upon determination by the Director of Health; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2567, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2567, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment,

MIKE GABBARD, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2567	AEN, CPH			1/31/18	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)		\times			
RIVIERE, Gil (VC)					X
NISHIHARA, Clarence K.					
RHOADS, Karl		*			
RUDERMAN, Russell E.				X	
		·	· .	·	
			,		
	· ·		·.	·	<u> </u>
		_			
		·			
<u> </u>				·	
	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·			
					. e
TOTAL		2	0		2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re		ellow s Office D	Pink rafting Agency		denrod ee File Copy

*Only one measure per Record of Votes