# 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 failing cesspools 2 are contaminating the State's ground water, streams, and coastal ecosystems. To address this, Act 125, Session Laws of Hawaii 3 4 2017, required all cesspools to be upgraded or converted to a 5 septic system or aerobic treatment unit system, or connected to 6 a sewerage system, by 2050 and directed the department of health 7 to develop a system to prioritize their upgrade, conversion, or 8 connection based on their impact on public health. 9 department of health's December 2017 report to the legislature 10 identified four priority categories: priority level one for 11 areas where cesspools present a significant risk of human 12 impacts, drinking water impacts, or draining to sensitive 13 waters; priority level two for areas where cesspools present a 14 potential to impact drinking water; priority level three for 15 areas where cesspools present a potential impact on sensitive 16 state waters or coastal ecosystems; and priority level four, which includes cesspools where impacts have not yet been 17

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- 1 assessed. Cesspools categorized under levels one, two, and
- 2 three include approximately forty-three thousand cesspools in
- 3 the State.
- 4 The legislature recognizes that the requirement to upgrade
- 5 or convert a cesspool imposes a financial burden on low- and
- 6 moderate-income families.
- 7 The purpose of this Act is to assist low- and moderate-
- 8 income property owners, including lessees on Hawaiian home
- 9 lands, with upgrading, converting, or connecting their failing
- 10 cesspools to more environmentally appropriate systems or
- 11 sewerage systems by creating a pilot grant project to assist
- 12 with conversion costs.
- 13 SECTION 2. Chapter 342D, Hawaii Revised Statutes, is
- 14 amended by adding a new section to part IV to be appropriately
- 15 designated and to read as follows:
- 16 "§342D- Cesspool compliance pilot grant project. (a)
- 17 There is established in the department the cesspool compliance
- 18 pilot grant project to assist property owners, including lessees
- on Hawaiian home lands, with upgrading, converting, or
- 20 connecting a cesspool that the department has identified as
- 21 failing. Specifically, the cesspool compliance pilot grant

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project s	hall assist property owners and lessees on Hawaiian
home land	s in meeting the costs of:
(1)	Upgrading or converting a failing cesspool to a
	director-approved wastewater system; or
(2)	Connecting a failing cesspool to a sewerage system.
(b)	The department shall not grant awards to any owner of
real prop	erty with a cesspool or lessee on Hawaiian home lands
with a ce	sspool unless:
(1)	The department has assigned the cesspool to priority
	level one, two, or three in the department's December
	2017 report to the legislature entitled, "Relating to
	Cesspools and Prioritization for Replacement"; and
(2)	The owner or lessee provides the department with the
	tax return required by this section.
(c)	No grant under this section shall be awarded to any
owner of	real property with a cesspool or lessee on Hawaiian
home land	s with a cesspool who is:
(1)	A taxpayer filing a single return or a married person
	filing separately with a federal adjusted gross income
	of \$ or more;
	(1)  (2) (b)  real prop with a ce (1)  (2) (c) owner of home land

1	(2)	A taxpayer filing as a head of household with	n a
2		federal adjusted gross income of \$	or more;
3		<u>or</u>	
4	<u>(3)</u>	A taxpayer filing a joint return or as a sur	viving
5		spouse with a federal adjusted gross income of	of
6		\$ or more.	
7	The	owner's or lessee's income shall be verified	ising the
8	tax retur	n of the most recent taxable year that is clos	sed.
9	<u>(d)</u>	The department shall grant awards on a first	-come,
10	first-ser	ved basis, subject to funding availability.	
11	<u>(e)</u>	The department shall adopt rules as necessar	y to carry
12	out the c	esspool compliance pilot grant project; provi	ded that
13	the rules	shall include a method of calculating a slid	ing scale
14	grant amo	unt based upon the federal adjusted gross inc	ome of the
15	owner or	lessee of the property with a failing cesspoo	<u>l.</u> "
16	SECT	ION 3. There is appropriated out of the gene	ral
17	revenues	of the State of Hawaii the sum of \$	or so
18	much ther	eof as may be necessary for fiscal year 2022-	2023 to
19	implement	the cesspool compliance pilot grant project;	provided
20	that \$	of the appropriation may be used to:	

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1	(1) Fund one temporary, part-time position in the
2	department of health for a cesspool compliance pilot
3	grant project administrator to establish and
4	administer the project; or
5	(2) Contract for services to establish and administer the
6	project.
7	The sum appropriated shall be expended by the department of
8	health for the purposes of this Act.
9	SECTION 4. New statutory material is underscored.
10	SECTION 5. This Act shall take effect on July 1, 2100.
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### Report Title:

Cesspool Compliance Pilot Grant Project; Appropriation

#### Description:

Establishes a cesspool compliance pilot grant project to assist low- and moderate-income property owners, including lessees on Hawaiian home lands, with the costs of upgrading, converting, or connecting a cesspool. Applies to cesspools identified as failing by the department of health. Appropriates funds. Effective 7/1/2100. (HD2)

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