
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
3 ecosystems. To address this, Act 125, Session Laws of Hawaii
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. The
9 University of Hawaii's 2021 Hawaii cesspool hazard assessment
10 and prioritization tool identified three prioritization
11 categories: priority levels 1, 2, and 3. Priority level 1
12 includes the cesspools with the greatest contamination hazard;
13 priority level 2 includes cesspools with significant
14 contamination hazard; and priority level 3 are areas where
15 cesspools have a pronounced contamination hazard.



1 The legislature recognizes that the requirement to upgrade
2 or convert a cesspool imposes a financial burden on low- and
3 moderate-income families.

4 The purpose of this Act is to assist low- and moderate-
5 income property owners, including lessees on Hawaiian home
6 lands, with upgrading, converting, or connecting their failing
7 cesspools to more environmentally appropriate systems or
8 sewerage systems by creating a pilot grant project to assist
9 with conversion costs.

10 SECTION 2. (a) There is established in the department of
11 health the cesspool compliance pilot grant project to assist
12 property owners, including lessees on Hawaiian home lands, with
13 upgrading, converting, or connecting a cesspool that, according
14 to the department of health, meets the requirements of
15 subsection (b). Specifically, the cesspool compliance pilot
16 grant project shall assist property owners and lessees on
17 Hawaiian home lands in meeting the costs of:

- 18 (1) Upgrading or converting cesspools that meet the
19 requirements of subsection (b) to a director of
20 health-approved wastewater system; or



1 (2) Connecting cesspools that meet the requirements of
2 subsection (b) to a sewerage system.

3 (b) The department of health shall not grant awards to any
4 owner of real property with a cesspool or lessee on Hawaiian
5 home lands with a cesspool unless:

6 (1) The cesspool is located in an area identified as
7 priority level 1 or 2 in the University of Hawaii's
8 2021 Hawaii cesspool hazard assessment and
9 prioritization tool;

10 (2) The owner or lessee provides the department with the
11 tax return required by this section; and

12 (3) An application, the form of which shall be decided by
13 the department, is submitted and deemed completed by
14 the department of health.

15 (c) No grant under this section shall be awarded to any:

16 (1) Owner of real property; or

17 (2) Lessee on Hawaiian home lands,
18 with a household income greater than one hundred forty per cent
19 of the area median income as determined by the United States
20 Department of Housing and Urban Development.



1 The owner's or lessee's household income shall be verified
2 using the tax return of the most recent taxable year that is
3 closed.

4 (d) The department of health shall grant awards on a
5 first-come, first-served basis, subject to funding availability
6 and the criteria set forth in subsections (b) and (e).

7 (e) The owner or lessee shall provide the department of
8 health with the following before a grant may be awarded:

9 (1) Design plans prepared by a licensed engineer for a
10 wastewater system that complies with chapter 11-62,
11 Hawaii Administrative Rules;

12 (2) A licensed engineer's final construction inspection
13 report with photos and as built plans and
14 certification that the system was constructed in
15 accordance with the design plans approved by the
16 director of health;

17 (3) A copy of an approval to use letter of the wastewater
18 system issued by the director of health; and

19 (4) Receipts of payment made to the licensed engineer and
20 licensed contractor.



1 (f) The department of health shall grant awards not to
2 exceed \$20,000 based on receipts of payment submitted under
3 subsection (e) (4); provided that cesspools that have been
4 upgraded or converted to a director of health-approved
5 wastewater system before the passing of this Act shall not be
6 eligible for this grant.

7 (g) The department of health may adopt rules as necessary
8 to carry out the cesspool compliance pilot grant project;
9 provided that the rules may allow third parties to claim a grant
10 award on behalf of the owner of real property with a cesspool or
11 lessee on Hawaiian home lands with a cesspool.

12 (h) The department of health shall submit to the
13 legislature a report on the pilot grant project, including any
14 findings and recommendations, and any proposed legislation, no
15 later than twenty days prior to the convening of the regular
16 session of 2024.

17 SECTION 3. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$5,000,000 or so much
19 thereof as may be necessary for fiscal year 2022-2023 to
20 implement the cesspool compliance pilot grant project; provided



1 that the appropriation may be used to contract for services to
2 establish and administer the project.

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

5 SECTION 4. The appropriation made by this Act shall not
6 lapse at the end of the fiscal biennium for which the
7 appropriation is made; provided that all moneys from the
8 appropriation unencumbered as of June 30, 2024, shall lapse as
9 of that date.

10 SECTION 5. This Act shall take effect on July 1, 2022, and
11 shall be repealed on June 30, 2028.



H.B. NO. 2195
H.D. 2
S.D. 1
C.D. 1

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 certain cesspools. Appropriates funds. Sunsets on 6/30/2028. (CD1)

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

2022-3222 HB2195 CD1 HMSO-3

