

STAND. COM. REP. NO.

1531

Honolulu, Hawaii

MAR 24 , 2023

RE: S.B. No. 426  
S.D. 2  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 426, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOLS,"

begs leave to report as follows:

The purpose of this measure is to implement the recommendation of the Cesspool Conversion Working Group to accelerate the dates for required upgrades, conversions, or connections of priority level 1 cesspools and priority level 2 cesspools by requiring:

- (1) Priority level 1 cesspools to be upgraded, converted, or connected before January 1, 2030, with certain exceptions; and
- (2) Priority level 2 cesspools to be upgraded, converted, or connected before January 1, 2035.

Your Committee received testimony in support of this measure from the Department of Health; Department of Land and Natural Resources; Hawaii Green Infrastructure Authority; University of Hawai'i Water Resources Research Center; University of Hawai'i Sea Grant College Program; Friends of Hanauma Bay; Hawai'i Reef and Ocean Coalition; Environmental Caucus of the Democratic Party of

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Hawai'i; Coral Reef Alliance; Ulupono Initiative; WAI: Wastewater Alternatives & Innovations; Surfrider Foundation, Hawai'i Region; and five individuals. Your Committee received testimony in opposition to this measure from the Waianae Coast Neighborhood Board No. 24 and seven individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs, Hawai'i Association of REALTORS, and two individuals.

Your Committee finds that cesspools are a major source of pollution to Hawaii's waters. Cesspools discharge untreated sewage, which may reach the groundwater and flow into drinking water sources, streams, and the ocean. Since a significant portion of drinking water in the State comes from groundwater sources, these discharges pose a serious risk of harm to public health and the environment.

Your Committee further finds that the Legislature, through Act 125, Session Laws of Hawaii 2017, mandated the upgrade or conversion of all cesspools in the State to certain wastewater management systems or connection to a sewerage system by 2050. The Cesspool Conversion Working Group, established by Act 132, Session Laws of Hawaii 2018, then recommended an accelerated conversion for those cesspools that pose greater environmental risk. However, your Committee is concerned that the accelerated timelines for required upgrades, conversions, or connections may place substantial financial burdens on residents of the State, especially residents on fixed or limited income.

Accordingly, your Committee has amended this measure by:

- (1) Delaying the deadlines to January 1, 2035, for priority level 1 cesspools, with certain exceptions, and January 1, 2040, for priority level 2 cesspools;
- (2) Specifying that no penalty or other assessment for any violation of these accelerated deadlines shall constitute a lien on the real property and no seizure of real property shall be authorized for any violation; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



Your Committee respectfully requests that your Committee on Finance, should it deliberate on this measure, to examine the financial implications of this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 426, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 426, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,

  
MARK M. NAKASHIMA, Chair

