H.B. NO. **1894**

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 there are 2 approximately eighty-eight thousand cesspools across the State, 3 with nearly fifty thousand on Hawaii island, almost fourteen 4 thousand on Kauai, over twelve thousand on Maui, over eleven 5 thousand on Oahu, and one thousand four hundred on Molokai. 6 These cesspools harm the health of Hawaii's people and 7 environment. Cesspools are antiquated, substandard systems that 8 can pollute groundwater and nearshore water and harm the health 9 of coral reefs and marine resources. Hawaii's cesspools 10 discharge more than fifty million gallons of wastewater into the 11 environment every day. Pursuant to Act 125, Session Laws of 12 Hawaii 2017, every cesspool in the State, excluding cesspools 13 granted exemptions by the director of health, must be upgraded 14 or converted to a director of health-approved wastewater system 15 or connected to a sewerage system by January 1, 2050. 16 Furthermore, in Act 132, Session Laws of Hawaii 2018, the

17 legislature authorized the establishment of the cesspool



H.B. NO. 1894

conversion working group to develop a long-range, comprehensive
 plan for conversion of cesspools statewide by 2050 and make
 recommendations for policies, programs, and other actions to
 facilitate cesspool conversions.

5 The legislature further finds that one recommendation of 6 the cesspool conversion working group is to ensure that buyers 7 of real property are adequately informed about the existence of 8 a cesspool on a property they are considering purchasing, a 9 requirement that would protect consumers. The legislature also 10 finds that a property with a cesspool that must be converted by 11 a set date is a material fact as defined in chapter 508D, Hawaii 12 Revised Statutes, that should be clearly and explicitly 13 disclosed by the seller in a real property transaction. 14 Furthermore, if the property does have a cesspool, the priority 15 level of that cesspool as determined by the Hawaii cesspool 16 prioritization tool, including the date by which that cesspool 17 must be converted, should also be disclosed.

18 The legislature additionally finds that the cesspool 19 conversion working group identified public outreach and 20 education as an essential component of cesspool conversion and 21 that programs in other jurisdictions found that robust public

2024-0610 HB HMSO

Page 2

H.B. NO. 1894

1	outreach	was necessary for the success of their efforts. One	
2	recommend	ation of the working group was to fund the development	
3	and implementation of a comprehensive outreach strategy, as well		
4	as the de	velopment of a website to serve as a statewide	
5	informational clearinghouse.		
6	Ther	efore, the purpose of this Act is to:	
7	(1)	Authorize and appropriate funds to the department of	
8		health to retain qualified consultants as necessary to	
9		identify necessary public outreach and education	
10	•	resources and tools and develop a comprehensive public	
11		outreach strategy and website to serve as a statewide	
12		clearinghouse for information and resources for	
13		homeowners and wastewater industry professionals	
14		related to cesspool conversion; and	
15	(2)	Require that mandatory seller disclosures in real	
16		estate transactions include whether the property has a	
17		cesspool, including the date by which state law	
18		mandates that the cesspool be upgraded, converted, or	
19		connected, and the priority level of the cesspool	
20		according to the Hawaii cesspool hazard assessment and	
21		prioritization tool.	



Page 4

H.B. NO. 1894

1	SECT	TION 2. Section 342D-59, Hawaii Revised Statutes, is
2	amended t	to read as follows:
3	"[+]	<pre>§342D-59[+] Research, educational, and training</pre>
4	programs.	The director may:
5	(1)	Conduct and supervise research programs for the
6		purpose of determining the causes, effects, and
7		hazards of water pollution, the quality of the
8		receiving water and the means to monitor the quality
9		of water, or to [effect] affect the proper disposal of
10		sewage, drainage, and waste;
11	(2)	With the approval of the governor, cooperate with, and
12		receive money from the federal government, or any
13		political subdivision of the State or from private
14		sources for the study and control of water pollution;
15		[and]
16	(3)	Conduct and supervise state educational and training
17		programs on water pollution prevention, control, and
18		abatement, including the preparation and distribution
19		of information relating to water pollution[\pm]; and
20	(4)	In consultation with counties, nonprofit
21		organizations, and wastewater industry professionals:



Page 5

H.B. NO. 1874

1	<u>(A)</u>	Identify necessary resources and tools for public
2		outreach and education, including necessary
3		funding and timelines, to meet the requirements
4		of section 342D-72;
5	<u>(B)</u>	Develop a comprehensive public outreach strategy
6		for the State and counties to educate homeowners
7		on cesspool conversion options and resources; and
8	<u>(C)</u>	Develop a website to serve as a statewide
9		clearinghouse for information and resources for
10		homeowners and wastewater industry professionals
11		about resources, priority zone maps, cesspool
12		impacts, financing options, exemptions, county
13		plans, and any other relevant information."
14	SECTION 3	. Section 508D-15, Hawaii Revised Statutes, is
15	amended to read	d as follows:
16	"§508D-15	Notification required; ambiguity. (a) When
17	residential rea	al property lies:
18	(1) With	in the boundaries of a special flood hazard area
19	as of	fficially designated on flood maps promulgated by
20	the I	National Flood Insurance Program of the Federal
21	Emero	gency Management Agency for the purposes of

2024-0610 HB HMSO

Page 6

H.B. NO. 1894

1		determining eligibility for emergency flood insurance
2		programs;
3	(2)	Within the boundaries of the noise exposure area shown
4		on maps prepared by the department of transportation
5		in accordance with Federal Aviation Regulation part
6		150, Airport Noise Compatibility Planning (14 C.F.R.
7		part 150), for any public airport;
8	(3)	Within the boundaries of the Air Installation
9		Compatible Use Zone of any Air Force, Army, Navy, or
10		Marine Corps airport as officially designated by
11		military authorities;
12	(4)	Within the anticipated inundation areas designated on
13		the department of defense's emergency management
14		tsunami inundation maps; or
15	(5)	Within the sea level rise exposure area as designated
16		by the Hawaii climate change mitigation and adaptation
17		commission or its successor,
18	subject t	o the availability of maps that designate the five
19	areas by tax map key (zone, section, parcel), the seller shall	
20	include the material fact information in the disclosure	
21	statement	provided to the buyer subject to this chapter. Each



H.B. NO. 1894

1 county shall provide, where available, maps of its jurisdiction 2 detailing the five designated areas specified in this 3 subsection. The maps shall identify the properties situated 4 within the five designated areas by tax map key number (zone, 5 section, parcel) and shall be of a size sufficient to provide 6 information necessary to serve the purposes of this section. 7 Each county shall provide legible copies of the maps and may 8 charge a reasonable copying fee.

9 (b) When it is questionable whether residential real 10 property lies within any of the designated areas referred to in 11 subsection (a) due to the inherent ambiguity of boundary lines 12 drawn on maps of large scale, the ambiguity shall be construed 13 in favor of the seller; provided that a good faith effort has 14 been made to determine the applicability of subsection (a) to 15 the subject real property.

16 (c) When residential real property contains a cesspool and
17 the cesspool is identified by the maps in the University of
18 Hawaii 2022 Hawaii cesspool hazard assessment and prioritization
19 tool, subject to the availability of the maps, the seller shall
20 include the material fact information in the disclosure
21 statement provided to the buyer subject to this chapter. The



Page 7

H.B. NO. 1894

1	maps shall identify the cesspool priority level and the date,
2	established by law, by which the cesspool is required to be
3	upgraded or converted to a director of health-approved
4	wastewater system or connected to a sewerage system.
5	[(c)] <u>(d)</u> Except as required under subsections (a) and
6	(b), and as required under section 508D-3.5, the seller shall
7	have no duty to examine any public record when preparing a
8	disclosure statement."
9	SECTION 4. Notwithstanding section 342D-83, Hawaii Revised
10	Statutes, or any other law to the contrary, there is
11	appropriated out of the water pollution control revolving fund
12	the sum of \$150,000 or so much thereof as may be necessary for
13	fiscal year 2024-2025 for the department of health to retain
14	qualified consultants, as necessary, to identify necessary
15	public outreach and education resources and tools, and develop a
16	comprehensive public outreach strategy and website to provide
17	necessary information to homeowners and wastewater industry
18	professionals about information and resources regarding the
19	State's cesspool connection, upgrade, and conversion
20	requirements and deadlines.



Page 8

H.B. NO. 1894

The sum appropriated shall be expended by the department of
 health for the purposes of this section.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 6. This Act shall take effect on July 1, 2024;
6 provided that section 3 shall take effect on November 1, 2024.

INTRODUCED BY: Mide E. Jon

JAN 1 8 2024



H.B. NO. 1874

Report Title:

Cesspools; DOH; Public Outreach and Education; Real Property; Mandatory Seller Disclosures; Appropriation

Description:

Authorizes and appropriates funds to the Department of Health to retain qualified consultants as necessary to identify necessary public outreach and education resources and tools and develop a comprehensive public outreach strategy and website to educate homeowners and wastewater industry professionals about information and resources regarding the State's cesspool upgrade, conversion, and connection requirements and deadlines. Requires that mandatory seller disclosures in real estate transactions include whether the property has a cesspool, including the date by which state law mandates that the cesspool be upgraded, converted, or connected, and the priority level of the cesspool according to the Hawaii cesspool hazard assessment and prioritization tool.

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

