



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

July 5, 2018

**GOV. MSG. NO. 1233**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Twenty-Ninth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Twenty-Ninth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 5, 2018, the following bill was signed into law:

SB2567 SD2 HD2 CD1

RELATING TO CESSPOOLS  
**ACT 132 (18)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

# 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 public health and  
2 the quality of Hawaii's drinking water, streams, ground waters,  
3 nearshore marine areas, and ocean are being harmed by water  
4 pollution from cesspools. Drinking water, public recreation,  
5 and the precious coral reefs, on which Hawaii's economy,  
6 shoreline, recreation, fisheries, and native species depend, are  
7 or may be harmed by such pollution.

8           The purpose of this Act is to:

- 9           (1) Establish a cesspool conversion working group to  
10           develop a long-range, comprehensive plan for cesspool  
11           conversion statewide of all cesspools by 2050; and  
12           (2) Commission a statewide study of sewage contamination  
13           in nearshore marine areas to further supplement the  
14           studies and reports conducted by the department of  
15           health related to cesspools.

16           SECTION 2. (a) The cesspool conversion working group is  
17 established within the department of health for administrative



1 purposes. The working group shall have the following  
2 objectives:

- 3 (1) Develop a long-range, comprehensive plan for cesspool  
4 conversion statewide of all cesspools by 2050, to be  
5 known as the cesspool conversion plan;
- 6 (2) Consider and recommend means by which the department  
7 of health can ensure that cesspools are converted to  
8 more environmentally-responsible waste treatment  
9 systems or connected to sewer systems;
- 10 (3) Identify areas where data is insufficient to determine  
11 a priority classification of cesspools for conversion  
12 and determine methods and resources needed to collect  
13 that data and conduct analysis of those areas;
- 14 (4) Modify, amend, and develop definitions and criteria  
15 for priority upgrade areas, as identified in the  
16 Department's report conducted pursuant to Act 125,  
17 Session Laws of Hawaii 2017, identify the preferred  
18 alternative waste treatment systems or sewerage  
19 connections for these priority areas, and consider and  
20 make recommendations on whether cesspools in these



1 priority areas should be required to convert sooner  
2 than 2050;

3 (5) Examine financing issues and the feasibility of  
4 various mechanisms, including grants, loans, tax  
5 credits, fees, special assessment districts,  
6 requirements for conversion at point of sale, and any  
7 other appropriate mechanisms for accomplishing and  
8 funding cesspool conversion, or any combination of  
9 these mechanisms;

10 (6) Consider owners' ability to pay for cesspool  
11 conversions, and, especially how assistance can be  
12 provided for lower-income homeowners;

13 (7) Consider the most cost-effective approach to cesspool  
14 conversion;

15 (8) Identify physical, practical, and financial  
16 impediments that may be encountered by land owners who  
17 are required to connect pre-existing cesspools to a  
18 sewer system or convert cesspools to an individual  
19 waste treatment system and recommend solutions to  
20 those impediments;



- 1           (9) Consider best policies, practices, and laws from other  
2           jurisdictions related to cesspool conversions,  
3           including but not limited to Rhode Island and New  
4           Jersey that have undertaken large efforts to phase-out  
5           cesspools in their jurisdictions;
- 6           (10) Include feedback from each county's community members,  
7           wastewater divisions, and boards of water supply;
- 8           (11) Consider alternative wastewater equipment and  
9           technologies appropriate to the various areas where  
10          cesspools are located that may better protect the  
11          environment at lower or comparable cost and how the  
12          equipment or technologies can be incorporated as part  
13          of the long-term solution to wastewater treatment  
14          issues. These alternatives may include, without  
15          limitation, graywater systems, constructed wetlands,  
16          and other available technologies;
- 17          (12) Research and recommend measures to encourage and  
18          stimulate research and innovation for new wastewater  
19          technologies, including systems that treat waste not  
20          only for bacteria but also to remove nutrients and  
21          contaminants that impact the environment;



- 1 (13) Evaluate mandatory versus voluntary participation in  
2 the cesspool conversion plan;
- 3 (14) Consider whether exemptions should be granted for some  
4 mandatory conversions based upon geology, topography,  
5 soil type, availability of land, or other relevant  
6 factors and make recommendations to the department  
7 relating to establishing rules for those exemptions;  
8 and
- 9 (15) Consider any other information deemed necessary or  
10 appropriate by the department, the cesspool conversion  
11 working group, or any third-party consultants.
- 12 (b) The cesspool conversion working group shall consist of  
13 the following:
- 14 (1) The director of health or the director's designee, who  
15 shall serve as chairperson;
- 16 (2) The branch chief of the wastewater branch of the  
17 department of health or the branch chief's designee;
- 18 (3) Four members representing the appropriate wastewater  
19 agency from each county appointed by the mayor of the  
20 county in which the agency is located;



- 1 (4) A member representing the wastewater industry,  
2 appointed by the president of the senate;
- 3 (5) A member representing the financial and banking  
4 sectors, appointed by the speaker of the house of  
5 representatives;
- 6 (6) A member of the University of Hawaii, Hawaii institute  
7 of marine biology appointed by the director of the  
8 Hawaii institute of marine biology;
- 9 (7) A member of the University of Hawaii water resources  
10 research center appointed by the director of the water  
11 resources research center;
- 12 (8) A member of the Hawaii Association of REALTORS  
13 appointed by the speaker of the house of  
14 representatives;
- 15 (9) A member of the Surfrider Foundation appointed by the  
16 president of the senate;
- 17 (10) One representative appointed by the speaker of the  
18 house of representatives; and
- 19 (11) One senator appointed by the president of the senate.



1 Working group members may recommend additional members with  
2 appropriate specialized expertise to the working group, for  
3 approval by the chairperson.

4 (c) Members of the working group shall serve without  
5 compensation, but shall be reimbursed for reasonable expenses  
6 incurred, including travel expenses. No member of the working  
7 group shall be made subject to chapter 84, Hawaii Revised  
8 Statutes, solely because of that members' participation as a  
9 member of the working group.

10 (d) The working group may contract the services of a  
11 contractor to provide any services required to establish a  
12 cesspool conversion plan or otherwise fulfill its  
13 responsibilities under this Act. Any contract executed pursuant  
14 to this Act shall be exempt from chapter 103D, Hawaii Revised  
15 Statutes.

16 (e) The cesspool conversion working group shall submit an  
17 interim report of its preliminary findings and recommendations,  
18 including proposed legislation, to the legislature no later than  
19 December 31, 2019, and shall submit a final report, including  
20 findings, recommendations, and any proposed legislation, to the





1 legislature no later than twenty days prior to the convening of  
2 the regular session of 2021.

3 (f) The department of health shall provide administrative  
4 and clerical support required by the working group.

5 (g) The working group shall be dissolved on January 14,  
6 2021.

7 SECTION 3. (a) The university of Hawaii water resources  
8 research center, in cooperation and consultation with the  
9 department of health, shall conduct a comprehensive statewide  
10 study of sewage contamination in nearshore marine areas, in  
11 supplementation to studies and reports conducted by the  
12 department of health related to cesspools.

13 (b) The university of Hawaii water resources research  
14 center and the department of health shall submit a report of  
15 their findings and recommendations, including any proposed  
16 legislation, to the cesspool conversion working group and the  
17 legislature no later than October 1, 2019.

18 SECTION 4. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$500,000 or so much  
20 thereof as may be necessary for fiscal year 2018-2019 for the  
21 university of Hawaii water resources research center, in



1 cooperation and consultation with the department of health, to  
2 conduct a comprehensive statewide study of sewage contamination  
3 in nearshore marine areas.

4 The sum appropriated shall be expended by the university of  
5 Hawaii for the purposes of this Act.

6 SECTION 5. There is appropriated out of the general  
7 revenues of the State of Hawaii the sum of \$1,000,000 or so much  
8 thereof as may be necessary for fiscal year 2018-2019 for the  
9 department of health, to conduct research or gather technical  
10 assistance on other issues as identified by the cesspool  
11 conversion working group in completing its comprehensive  
12 cesspool conversion plan.

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

15 SECTION 6. This Act shall take effect on July 1, 2018.

APPROVED this 05 day of JUL, 2018





GOVERNOR OF THE STATE OF HAWAII

**THE SENATE OF THE STATE OF HAWAI'I**

Date: May 1, 2018  
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the  
Senate of the Twenty-ninth Legislature of the State of Hawai'i, Regular Session of 2018.

  
President of the Senate

  
Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2018  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives