

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 1370
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Agriculture and Environment and Hawaiian Affairs, to which was referred S.B. No. 1370 entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOLS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish a cesspool compliance grant program and special fund to assist beneficiaries on Hawaiian home lands with cesspool upgrade, conversion, or connection costs;
- (2) Restrict taxpayers from receiving double benefits from the cesspool compliance grant program and claiming the cesspool upgrade, conversion, or connection income tax credit; and
- (3) Appropriate funds for the grant program.

Your Committees received testimony in support of this measure from the Department of Health, Department of Hawaiian Home Lands, Office of the Mayor of the County of Hawai'i, one member of the Hawai'i County Council, County of Hawai'i Department of Environmental Management, One World One Water, Hawaiian Community Assets, and one individual. Your Committees received comments on



this measure from the Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii.

Your Committees find that section 342D-72, Hawaii Revised Statutes, requires the upgrade, conversion, or connection of all cesspools by 2050. There are currently approximately eighty-eight thousand cesspools in the State, discharging roughly fifty-three million gallons of untreated sewage into the groundwater every day. Your Committees note that about ninety-five percent of the State's drinking water is sourced from underground, making cesspools a significant threat to public health. Your Committees believe that establishing a grant program to assist beneficiaries on Hawaiian homelands to comply with section 342D-72, Hawaii Revised Statutes, to ensure public and environmental health.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$500,000;
- (2) Appropriating funds for fiscal year 2020-2021, rather than 2019-2020, to allow the Department of Hawaiian Home Lands time to adopt administrative rules for the program; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1370, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1370, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Agriculture and
Environment and Hawaiian
Affairs,



MAILE S.L. SHIMABUKURO, Chair



MIKE GABBARD, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:* SB 1370	Committee Referral: AEN/HWN, WAM	Date: 02.13.2019		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)	X			
RHOADS, Karl	X			
THIELEN, Laura H.	X			
FEVELLA, Kurt				X
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Hawaiian Affairs
HWN

Bill / Resolution No.:* <i>SB1370</i>	Committee Referral: <i>AEN/HWN, WAM</i>	Date: <i>2/13/19</i>
--	--	-------------------------


The Committee is reconsidering its previous decision on this measure.
If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
SHIMABUKURO, Maile S.L. (C)	✓			
KAHELE, Kaiali'i (VC)	✓			
IHARA, Jr., Les	✓			
KEOHOKALOPE, Jarrett	✓			
FEVELLA, Kurt				✓
TOTAL	4			1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:


Distribution:
Original Yellow Pink Goldenrod
File with Committee Report Clerk's Office Drafting Agency Committee File Copy

*Only one measure per Record of Votes