
A BILL FOR AN ACT

RELATING TO CESSPOOL CONVERSIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Act 153, Session
2 Laws of Hawaii 2022, established a cesspool compliance grant
3 pilot project to assist property owners, including lessees on
4 Hawaiian home lands, with upgrading, converting, or
5 connecting a cesspool.

6 The purpose of this Act is to:

- 7 (1) Increase the cesspool compliance grant amount from
8 \$20,000 to \$30,000 and update a reference to the
9 University of Hawaii's Hawaii cesspool hazard
10 assessment and prioritization tool; and
11 (2) Appropriate funds for the cesspool compliance pilot
12 grant project for fiscal year 2024-2025 and to
13 establish positions to implement the project.

14 SECTION 2. Act 153, Session Laws of Hawaii 2022, is
15 amended by amending section 2 to read as follows:

16 "SECTION 2. (a) There is established in the department of
17 health the cesspool compliance pilot grant project to assist



1 property owners, including lessees on Hawaiian home lands, with
2 upgrading, converting, or connecting a cesspool that, according
3 to the department of health, meets the requirements of
4 subsection (b). Specifically, the cesspool compliance pilot
5 grant project shall assist property owners and lessees on
6 Hawaiian home lands in meeting the costs of:

7 (1) Upgrading or converting cesspools that meet the
8 requirements of subsection (b) to a director of
9 health-approved wastewater system; or

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

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

15 (1) The cesspool is located in an area identified as
16 priority level 1 or 2 in the University of Hawaii's
17 [~~2021~~] 2022 Hawaii cesspool hazard assessment and
18 prioritization tool;

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



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

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

5 (1) Owner of real property; or

6 (2) Lessee on Hawaiian home lands,

7 with a household income greater than one hundred forty per cent
8 of the area median income as determined by the United States
9 Department of Housing and Urban Development.

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

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

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

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



1 (2) A licensed engineer's final construction inspection
2 report with photos and as built plans and
3 certification that the system was constructed in
4 accordance with the design plans approved by the
5 director of health;

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

8 (4) Receipts of payment made to the licensed engineer and
9 licensed contractor.

10 (f) The department of health shall grant awards not to
11 exceed [~~\$20,000~~] \$30,000 based on receipts of payment submitted
12 under subsection (e) (4); provided that cesspools that have been
13 upgraded or converted to a director of health-approved
14 wastewater system before the passing of this Act shall not be
15 eligible for this grant.

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



1 ~~[(h) The department of health shall submit to the~~
2 ~~legislature a report on the pilot grant project, including any~~
3 ~~findings and recommendations, and any proposed legislation, no~~
4 ~~later than twenty days prior to the convening of the regular~~
5 ~~session of 2024.]"~~

6 SECTION 3. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$5,000,000 or so much
8 thereof as may be necessary for fiscal year 2024-2025 to
9 implement the cesspool compliance pilot grant project
10 established pursuant to Act 153, Session Laws of Hawaii 2022;
11 provided that:

12 (1) The appropriation may be used to contract for services
13 to establish and administer the project; and

14 (2) All moneys from the appropriation unencumbered as of
15 June 30, 2026, shall lapse as of that date.

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

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$151,000 or so much
20 thereof as may be necessary for fiscal year 2024-2025 to
21 establish one full-time equivalent (1.0 FTE) program specialist



1 V position and one full-time equivalent (1.0 FTE) planner IV
2 position to implement the cesspool compliance pilot grant
3 project established pursuant to Act 153, Session Laws of
4 Hawaii 2022, and perform other cesspool conversion-related
5 work.

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

8 SECTION 5. In accordance with section 9 of article VII of
9 the Hawaii State Constitution and sections 37-91 and 37-93,
10 Hawaii Revised Statutes, the legislature has determined that the
11 appropriations contained in H.B. No. , will cause the state
12 general fund expenditure ceiling for fiscal year 2024-2025 to be
13 exceeded by \$ or per cent. In addition, the
14 appropriation contained in this Act will cause the general fund
15 expenditure ceiling for fiscal year 2024-2025 to be further
16 exceeded by \$5,151,000 or per cent. The combined total
17 amount of general fund appropriations contained in only these
18 two Acts will cause the state general fund expenditure ceiling
19 for fiscal year 2024-2025 to be exceeded by
20 \$ or per cent. The reasons for exceeding the
21 general fund expenditure ceiling are that:



- 1 (1) The appropriations made in this Act are necessary to
2 serve the public interest; and
3 (2) The appropriations made in this Act meet the needs
4 addressed by this Act.

5 SECTION 6. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 7. This Act shall take effect on July 1, 2024.

8

INTRODUCED BY: *Nicole E. Lamm*
JAN 18 2024



H.B. NO. 1893

Report Title:

Cesspools; Cesspool Compliance Pilot Grant Project;
Appropriation; Expenditure Ceiling

Description:

Amends Act 153, Session Laws of Hawaii 2022, to increase the cesspool compliance pilot grant project grant amount and update a reference. Appropriates funds for fiscal year 2024-2025 and to establish positions to implement the pilot grant project.

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

