

STAND. COM. REP. NO. 1167

Honolulu, Hawaii
MAR 03 , 2023

RE: H.B. No. 1396
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 Finance, to which was referred H.B. No. 1396, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOLS,"

begs leave to report as follows:

The purpose of this measure is to:

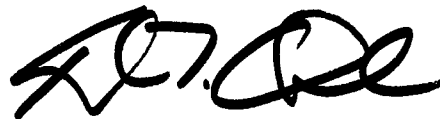
- (1) Establish a pilot program within the Environmental Management Division of the Department of Health to work with each county to identify a priority area to expand the county sewage system or other centralized treatment system to connect individual properties in the priority area and reduce or eliminate cesspools in the identified area;
- (2) Appropriate funds to the Department of Health to provide planning grants to each county for a pilot cesspool conversion project;
- (3) Create a new Cesspool Conversion Section within the Department of Health's Wastewater Branch that is dedicated to facilitating the conversion of cesspools within the State;

- (4) Establish and appropriate funds for new full-time equivalent permanent positions within the new Cesspool Conversion Section for fiscal years 2023-2024 and 2024-2025 and additional full-time equivalent positions for fiscal year 2024-2025;
- (5) Re-establish the Cesspool Upgrade, Conversion, or Connection Income Tax Credit; and
- (6) Require the disclosure of certain material fact information regarding cesspools on real property to be included in mandatory seller disclosures for real property transactions.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i Sea Grant College Program, University of Hawai'i Water Resources Research Center, Hawai'i Climate Change Mitigation & Adaptation Commission, Hawaii Marine Education and Research Center, Ulupono Initiative, Environmental Caucus of the Democratic Party of Hawai'i, Public Access to SunScreens, WAI: Wastewater Alternatives & Innovations, Coral Reef Alliance, and four individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Friends of Hanauma Bay, Hawai'i Association of REALTORS, Hawai'i Reef and Ocean Coalition, and Big Island Reef Keepers Hui.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1396, H.D. 2, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



