
A BILL FOR AN ACT

RELATING TO CESSPOOL CLOSURE.

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

1 SECTION 1. The legislature finds that there are more than
2 eighty thousand cesspools across the State that pollute
3 groundwater and nearshore water and threaten environmental and
4 human health, and that there is a compelling state interest to
5 close such cesspools. Pursuant to Act 125, Session Laws of
6 Hawaii 2017 (Act 125), cesspools must be closed by January 1,
7 2050, and replaced with approved systems or connected to sewer
8 infrastructure, however the cost impediments on homeowners to
9 comply with Act 125 have made the conversions and connections
10 financially challenging.

11 The legislature further finds that in some areas that
12 currently have cesspools, counties are planning to install new
13 wastewater infrastructure to connect existing homes to county
14 sewers. The legislature also finds that connecting homes to
15 sewers to meet the requirements of Act 125 is a solution that
16 should be encouraged in all areas where this is feasible because
17 it is cost-effective for homeowners and treats wastewater to a



1 higher standard than the most common individual wastewater
2 systems that might replace cesspools in more rural areas, such
3 as septic systems.

4 The legislature believes that offering a subsidy to
5 homeowners for their portion of the sewer lateral connections
6 and to help cover the cost of cesspools closures for specific
7 projects will encourage counties to plan more sewer
8 infrastructure expansions in the future, ease the burden on
9 homeowners, and protect the health of Hawaii's environment and
10 people. Certain projects already in progress in Ewa Beach on
11 Oahu and in Keaukaha on Hawaii Island are good candidates to
12 pilot a program that offers this type of assistance in order to
13 determine if such a program should be established on an ongoing
14 basis to help homeowners within sewer improvement districts with
15 their portion of the costs.

16 Such a program would provide an incentive for counties to
17 look for additional future projects that might be facilitated by
18 the availability of these funds.

19 The purpose of this Act is to appropriate funds to create
20 residential sewer connection and cesspool closure subsidy pilot



1 programs to assist with sewer projects nearing implementation in
2 Ewa Beach, Oahu and Keaukaha, Hawaii.

3 SECTION 2. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$12,000,000 or so
5 much thereof as may be necessary for fiscal year 2025-2026 and
6 the same sum or so much thereof as may be necessary for fiscal
7 year 2026-2027 for the city and county of Honolulu to establish
8 a residential sewer connection and cesspool closure subsidy
9 pilot program to:

10 (1) Assist with planned sewer projects for residents in
11 Ewa Beach, Oahu; and

12 (2) Provide rebates to homeowners, create a forgivable
13 loan program, or create a program to allow a
14 contractor to claim the funding on behalf of a
15 homeowner;

16 provided that the city and county of Honolulu shall use no more
17 than \$ for the administration of this subsidy pilot
18 program.

19 The sums appropriated shall be expended by the city and
20 county of Honolulu for the purposes of this Act.



SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$6,000,000 or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for the county of Hawaii to establish a residential sewer connection and cesspool closure subsidy pilot program to:

(1) Assist with planned sewer projects for residents in Keaukaha, Hawaii; and

(2) Provide rebates to homeowners, create a forgivable loan program, or create a program to allow a contractor to claim the funding on behalf of a homeowner;

provided that the county of Hawaii shall use no more than \$ for the administration of this subsidy pilot program.

The sums appropriated shall be expended by the county of Hawaii for the purposes of this Act.

SECTION 4. The city and county of Honolulu and county of Hawaii shall each submit a report on how the funds appropriated pursuant to this Act were disbursed, how many homeowners benefited, and any recommendations, including any proposed



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1 legislation, to the legislature no later than twenty days prior
2 to the convening of the regular session of 2026.

3 SECTION 5. This Act shall take effect on July 1, 2025.

4

INTRODUCED BY: Nicole E. Lauer

JAN 23 2025



H.B. NO. 1404

Report Title:

Cesspool Closure; City and County of Honolulu; County of Hawaii;
Appropriation

Description:

Appropriates funds for a residential sewer connection and
cesspool closure subsidy pilot program.

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