



STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
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WRITTEN
TESTIMONY ONLY

**Testimony COMMENTING on HB0735 HD2 SD1
RELATING TO WASTEWATER.**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

March 31, 2025; 10:02 am; Room Number: 211

1 **Fiscal Implications:** None.

2 **Department Position:** The Department of Health (“Department”) comments on this measure.

3 **Department Testimony:** The Environmental Management Division Wastewater Branch
4 (EMD-WWB) provides the following testimony on behalf of the Department.

5 This measure proposes to allow an individual wastewater system (IWS) to serve up to
6 five bedrooms, regardless of the quantity of dwellings, dwelling units, or accessory units,
7 whether the dwellings, dwelling units, or accessory units are attached or detached, provided
8 that this shall not apply to any new requests to connect additional bedrooms, dwellings,
9 dwelling units, or accessory units to an existing cesspool.

10 The Department is currently researching scientific literature and data to determine the
11 quantifiable effect of the quantity of dwellings generating domestic wastewater flows in gallons
12 per day for residential properties in the Unites States and Hawai'i. This measure may be
13 problematic if scientific literature and data determines that the IWS is not able to treat the
14 generated wastewater flow.

1 Hawai'i Administrative Rules, Section 11-62-03¹ defines "bedroom," "dwelling," and
2 "dwelling unit." A "dwelling unit" cannot be detached from a "dwelling." County definitions for
3 "bedroom", "dwelling", and "dwelling unit" would not be applicable.

4 The Department is concerned that this proposed measure may inadvertently allow
5 dwellings, dwelling units, or accessory units, which are connected to existing cesspools, to add
6 one (1) or more bedrooms for a total of up to five (5) bedrooms and remain on the existing
7 cesspool. The flow generated by all occupants, including the occupants of the additional
8 bedroom(s), may cause a wastewater spill from the existing cesspool. In order to avoid a
9 potential spill from the existing cesspool, the amendment to SECTION 2, Page 2, lines 11-12
10 described below is respectfully requested. The amendment adds "bedrooms," "dwellings," and
11 "accessory units" to the sentence.

12 In coordination with and at the recommendation of the Department's Deputy Attorney
13 General, the amendment to SECTION 2, Page 2, line 8 described below is respectfully
14 requested. The amendment replaces the comma with a semicolon.

15 **Offered Amendments:** The Department respectfully suggests the following revisions to
16 proposed measure. Additions appear as double underlined and deletions appear as bracketed
17 strikeouts.

18 SECTION 2, Page 2, lines 4-12: "~~§342D-~~ Individual wastewater system; dwelling
19 units. An individual wastewater system may serve up to five bedrooms, regardless of the
20 number of

21 (1) Dwellings or dwelling units; or

22 (2) Accessory units as defined by the counties[7];

¹ <https://health.hawaii.gov/opppd/files/2015/06/11-62-Wastewater-Systems.pdf> (PDF pages 8 and 10)

1 whether the dwellings, dwelling units, or accessory units are attached or detached; provided
2 that this section shall not apply to any new requests to connect additional bedrooms, dwellings,
3 dwelling units, or accessory units to an existing cesspool.”

4 Thank you for the opportunity to testify on this measure.

DEPARTMENT OF PLANNING

KA'ĀINA HULL, DIRECTOR

JODI A. HIGUCHI SAYEGUSA, DEPUTY DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
REIKO MATSUYAMA, MANAGING DIRECTOR

Testimony of Ka'āina Hull

Planning Director, Planning Department, County of Kaua'i

Before the

Senate Committee on Ways and Means

Wednesday, March 31, 2025 at 10:02 AM

Conference Room 211 & Videoconference

In consideration of

House Bill 735 SD1

Relating to Wastewater

Dear Honorable Chair Dela Cruz and Members of the Committee:

The County of Kaua'i Planning Department **SUPPORTS** HB 735 SD1, recognizing that infrastructure upgrades and assessments are part of several solutions needed to help mitigate the State's housing crisis. We acknowledge the Legislature's findings on the imbalance between housing costs and median household income, resulting in heightened vulnerability for local families and detrimental impacts to our broader community.

Under the administration of Mayor Derek K. Kawakami, the County of Kaua'i has proactively implemented zoning reform to stimulate multi-family and infill housing development consistent with the County's General Plan. This includes increased density allowances; incentivizing additional dwelling units; allowing additional rental units of up to 800 square feet in all residential districts; and providing site design flexibility through reduced setback and lot coverage requirements. These efforts are in harmony with the goals of HB 735 SD1 and seek to enhance the housing inventory through affordable housing options.

The current restriction of two dwelling units to a septic system regardless of the size of the dwelling units restricts the vast majority of Kauai's residential property owners from taking advantage of our additional rental unit program. Allowing an approved individual wastewater system to serve up to five bedrooms regardless of the number of dwelling units would allow several thousand properties on Kauai to be eligible to construct a nominally sized 800 square foot additional rental unit whereas currently they are prohibited from doing such.

The County of Kaua'i Planning Department respectfully urges the committees to **support** the advancement of HB 735 SD1 and move forward the solutions required to effectively address Hawaii's housing crisis.



Testimony in Strong Support of HB735 SD1

Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee,

My name is Joel Guy, and I am submitting testimony in **strong support of HB735 SD1**.

This bill makes a simple but impactful change: allowing an individual wastewater system (IWS) to serve up to five bedrooms, regardless of how those bedrooms are distributed across units on the property. It maintains all public health safeguards while removing unnecessary red tape that makes small-scale housing more costly and sometimes impossible—especially in rural communities without access to sewer infrastructure.

We're currently working on a workforce housing project in **Hanalei**, one of many areas on Kaua'i without sewer service. This project is designed specifically to provide **affordable housing for essential workers such as lifeguards and teachers**, the very people who serve and protect our community every day. Under current rules, we would be forced to install multiple, separate wastewater systems—even though the total number of bedrooms does not change. That's an expensive and land-consuming requirement that threatens the viability of the entire project.

HB735 SD1 is key to making our Hanalei project successful. It offers the flexibility needed to maximize housing within existing health and environmental standards. It's a smart, fair solution that will help us—and many others—deliver truly affordable housing in rural communities across the state.

Please pass this bill. It's a common-sense update that supports working families, strengthens local communities, and directly enables critical workforce housing where it's needed most.

Mahalo for your consideration,

Joel Guy

Executive Director



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 1259 A'ala Street, Suite 300
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March 31, 2025

The Honorable Donovan M. Dela Cruz, Chair

Senate Committee on Ways and Means
State Capitol, Conference Room 211 & Videoconference

RE: House Bill 735, HD2, SD1, Relating to Wastewater

HEARING: Monday, March 31, 2025, at 10:02 a.m.

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 735, HD2, SD1, which allows an individual wastewater system to serve up to five bedrooms, regardless of the number of dwellings, dwelling units, or accessory units, whether attached or detached, with certain exclusions. Effective 12/31/2050.

Under Hawaii Administrative Rules Chapter 62 relating to wastewater systems, the definition of dwelling unit is, "any habitable room or group of habitable rooms located within a dwelling and forming a single habitable unit with facilities which are used or intended to be used for living, sleeping, cooking, and eating." By allowing individual wastewater systems to serve up to five bedrooms, regardless of the number of dwellings and whether they are detached or attached, would help address our evolving housing needs that also help with the supply of much needed housing, such as Accessory Dwelling Units and tiny homes.

Mahalo for the opportunity to testify on this measure.



March 31, 2025, 10:02 a.m.

Hawaii State Capitol

Conference Room 211 and Videoconference

To: Senate Committee on Ways and Means

Sen. Donovan M. Dela Cruz, Chair

Sen. Sharon Y. Moriwaki, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HB735 HD2 SD1 — RELATING TO WASTEWATER

Aloha Chair Dela Cruz, Vice Chair Moriwaki and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [HB735 HD2 SD1](#), which would allow a septic system to serve up to five bedrooms, regardless of the number of dwellings attached to it.

Current state Department of Health rules allow certain septic systems to have five bedrooms connected to them; however, the department's definition of "dwelling unit" excludes certain types of living arrangements.¹

The rules consider a dwelling unit as "any habitable room or group of habitable rooms located within a dwelling and forming a single habitable unit with facilities that are used or intended to be used for living, sleeping, cooking and eating."²

But this language excludes guest houses that do not have kitchens and dwellings that might have extra rooms located outside of them, such as a completely detached room.

¹ "[Wastewater Systems](#)," Title 11, Chapter 62, Hawaii Administrative Rules, May 21, 2016, p. 49.

² [Ibid](#), p. 10.

Amending the definition would give small-scale builders more flexibility in constructing housing to meet their needs, county zoning rules and individual lot configurations.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii



'āina * culture * community

LATE

Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Aloha, Honorable Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee

I am submitting testimony in **strong support of HB735 SD1.**

This bill will be a game changer for many who seek to provide affordable housing on Kaua`i and throughout the state. Construction of studios or 1 bedroom homes is so much less costly and therefore far more attainable than 3 bedrooms units. This bill is extremely impactful and will provide the opportunity for far more local residents including young people, kupuna, and small families to live in a house and work in their communities.

The Waipā Foundation is a nonprofit which manages the 1,600 acre ahupua`a of Waipā under an agricultural lease from Kamehameha Schools currently through 2050. Located just past Hanalei town, on Kaua`i's North Shore, Waipā is a living learning center currently employs 27 part and full time staff. Due to the severe shortage of housing, very few of our team are able to live on the North Shore, with more each year having to move further away. Waipā Foundation is working on developing workforce housing on our leased property for both our staff and other community leaders. If passed, **HB735 SD1** would make this monumental project more attainable and allow us to plan for more individual units to accommodate more people.

In addition, many other property owners across the island and state will be able to take the opportunity to build additional dwelling units on their property and create more rental inventory to help our youth and local people to have a home to live in. I personally know numerous construction workers and other single people who are working and living in their cars or in tents. This will make it easier for their families, friends, or others to create a small home for them.

Please pass HB735 SD1. It will have real impact on housing our people in our communities.

Mahalo piha,

Stacy M. Sproat

Executive Director

HB-735-SD-1

Submitted on: 3/29/2025 12:17:34 PM

Testimony for WAM on 3/31/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeremy Burns	Individual	Support	Written Testimony Only

Comments:

Aloha Ways and Means Committee,

I am submitting testimony in strong support of HB 735, particularly its provision allowing an individual wastewater system (IWS) to serve up to five bedrooms, regardless of the number of dwelling or accessory units.

Hawaii's current wastewater regulations restrict septic systems to serving no more than two structures, even if the system has the capacity for additional bedrooms. This arbitrary limit creates unnecessary extra restrictions for systems that are already designed and sized by number of bedrooms for estimated usage and capacity. The added restrictions of structure limits is unnecessary.

Thank you very much for your consideration,

Jeremy Burns

HB-735-SD-1

Submitted on: 3/29/2025 5:14:00 PM

Testimony for WAM on 3/31/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Hermina Morita	Individual	Support	Written Testimony Only

Comments:

Dear Chair Dela Cruz, Vice Chair Moriwake and Members of the Committee:

My name is Mina Morita. I am writing in support of House Bill 735, HD2, SD1. I am currently the President of the Board of Directors for The Hanalei Initiative, a Hanalei based non-profit best known for operating the integrated access system for Haena State Park as a community-based economic development enterprise that has helped to transform Haena State Park. However, the testimony I share today are my own views as a resident and property owner in Hanalei concerned about the lack of workforce housing in the Hanalei area and the need to reestablish a resilient Hanalei community where families have been affected and driven out by high real estate costs and vacation rentals.

Over a year ago, The Hanalei Initiative was given the opportunity to lease with the option to purchase the Hanalei LDS Church property, which is in the “heart” of Hanalei town. As the organization began to master plan the property it became even more evident that the lack of workforce housing for the area is a major community concern. Although this property will not make a huge dent in Hanalei’s affordable rental inventory (average rent in Hanalei is \$5460/month) , it can help address the critical shortage and need for housing for a small sector of public servants like lifeguards and teachers (average salary is \$3719-5027/month).

The challenge of dealing with arbitrary septic system regulation arose when trying to maximize the density of the property to plan out the workforce housing project. Had the property been sold, likely to a non-resident who could afford the \$4.6 million price tag, that person or entity would be entitled to build 2 5-bedroom residences by installing 2 septic systems without question. But if 10 detached studios with communal spaces were proposed equaling the same or with less square footage, the two septic systems would not be sufficient or allowable according to Department of Health requirements.

A testifier before a House committee said, “. . . septic systems are sized on number of bedrooms as a proxy for expected capacity and usage, so it does not make sense to also add a number of structures limitation which doesn't seem germane to the design and engineering [of the septic system].” I agree. Hanalei will not be served by a municipal wastewater treatment facility in the

near future so a significant portion of a housing construction budget will be devoted to designing an appropriately sized wastewater treatment system. However, efforts to increase the affordable housing inventory should not be stymied with arbitrary regulation that needlessly increase costs nor hinder creative solutions.

Thank you for the opportunity to testify.

Sincerely,

Mina Morita

P.O. Box 791, Hanalei, HI 96714

Faith Lehuanani Blalock
Testimony in SUPPORT of HB735

LATE

03/30/2025

Dear Ways and Means Committee,

My name is Faith Lehuanani Blalock. I am a Native Hawaiian, born and raised on Kaua'i, currently living in Hanalei. With a background in environmental engineering, I work as a Biocultural Resource Manager at Waipā Foundation, a North Shore organization dedicated to restoring the vibrant natural systems of Waipā Valley, and to inspiring healthy, thriving communities connected to their resources. I also work part-time as a Individual Wastewater System (IWS) Engineer for Kaua'i Civil.

I am in full support and writing to urge you to pass HB735. With the health and abundance of 'āina and community always at the center of my work, I strongly believe this bill is a vital step in providing affordable housing options for our community without worsening the impact the IWS has on the health of wai and 'āina. I know of several community-based affordable housing projects on Kaua'i that would greatly benefit from this rule change, which will provide much needed housing inventory for our community. Every year the housing crisis becomes further unbearable for families, especially on the outer-islands, and it is bills like this that are needed so that we are able to address housing insecurity now.

To ensure a better future for all of Hawai'i, one that allows our multi-generational families to remain in their home, please pass this bill.

Mahalo for your time and consideration,

Faith Lehuanani Blalock
fblalock0808@gmail.com