

INDIVIDUAL WASTEWATER SYSTEM (IWS) INTERACTION GROUP REPORT

**SIMPLIFYING PERMITTING FOR
ENHANCED ECONOMIC
DEVELOPMENT (SPEED) TASK FORCE**

December 2025

Agenda

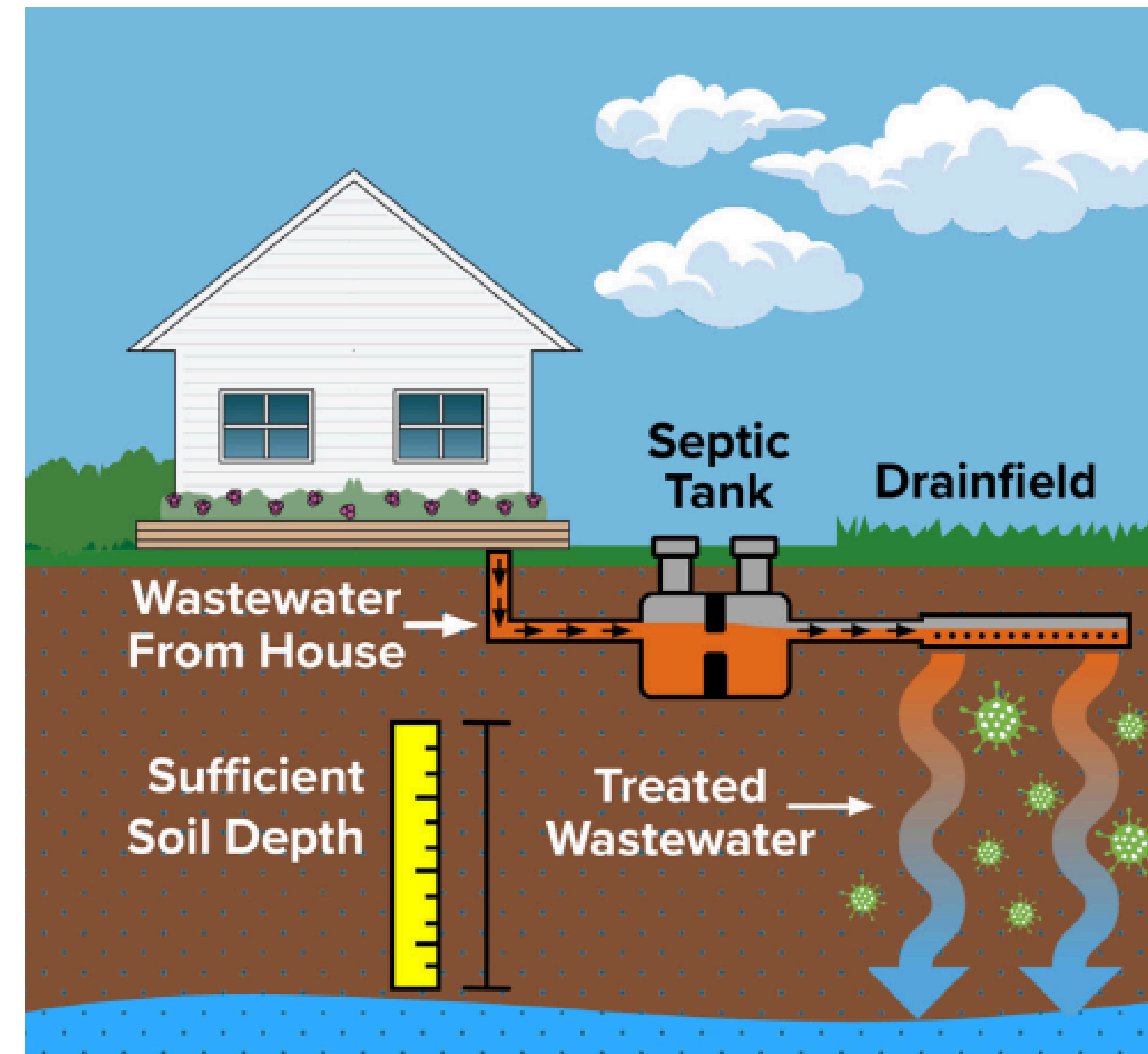


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Introduction/Background

What is IWS?

- Individual Wastewater Systems (IWS) are on-site systems for treating and disposing wastewater.
- Individual wastewater systems (IWS) are a core part of Hawai'i's wastewater management framework, especially in rural areas and communities not served by county wastewater systems.

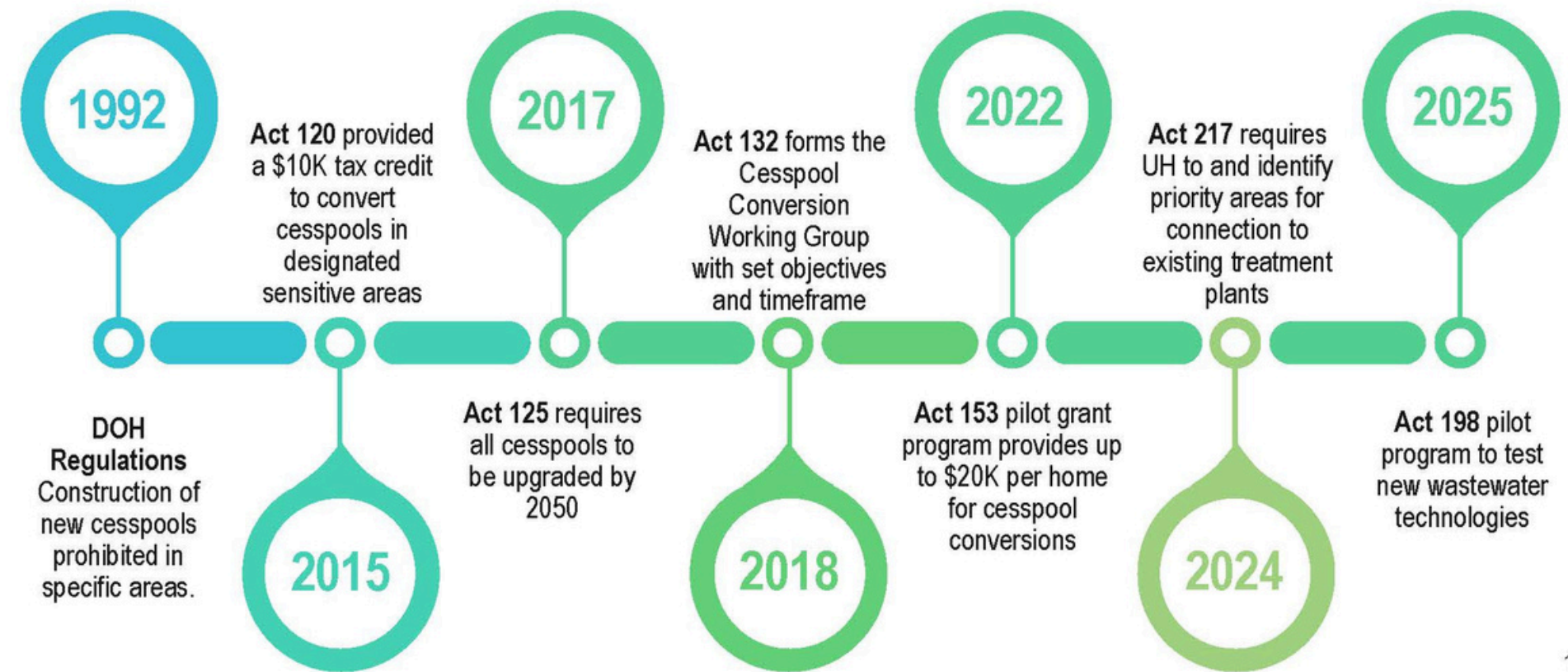


Introduction/Background

Act 125

Cesspool Conversion
Mandate by 2050

Legislation Related to Cesspool Conversions



Introduction/Background

Why is IWS Important?

- **Public Health:** They protect public health by removing harmful pathogens and contaminants from wastewater before it is released into the environment.
- **Environmental Protection:** By treating wastewater, these systems help prevent pollution of water bodies, which can lead to eutrophication and harm aquatic ecosystems.
- **Resource Recovery:** Some systems can recover nutrients from wastewater, which can be used in agriculture, reducing the need for chemical fertilizers.
- **Sustainability:** Decentralized systems can be more efficient and cost-effective, especially in small communities, and can be more practical in areas with scattered populations.

These systems play a vital role in maintaining clean and safe water resources for future generations, especially for our rural communities.

Introduction/Background

Department of Health Involvement

The Department of Health (DOH) plays a crucial role in the regulation and oversight of Individual Wastewater Systems (IWS) in Hawai'i. They are responsible for enforcing the cesspool conversion mandate and facilitating the IWS permitting process.

DOH's involvement includes:

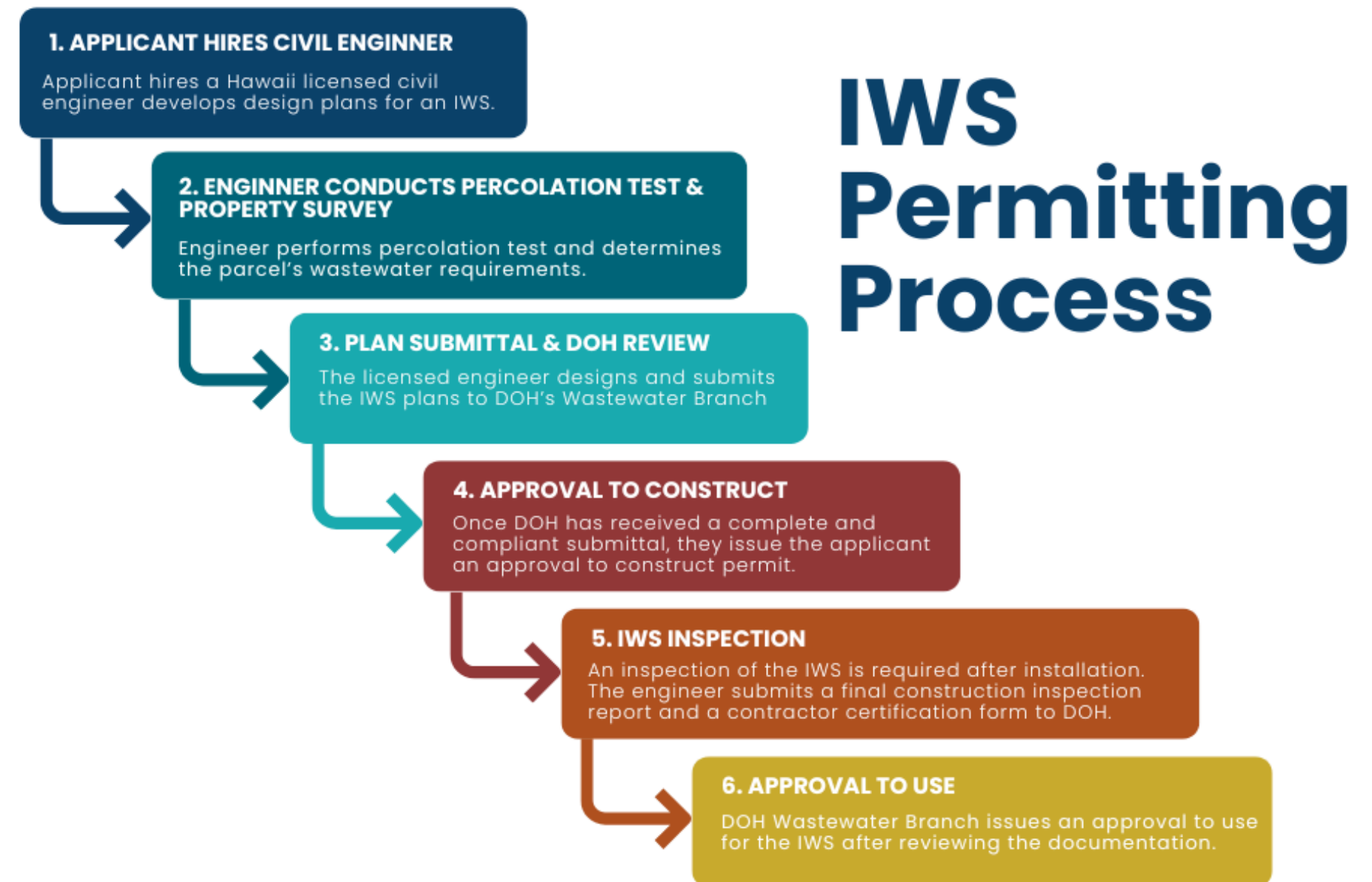
- **Regulating the use of septic systems and cesspools**, including the review of wastewater system plans and county permits for structures served by IWS.
- **Providing technical assistance for homeowners** looking to convert cesspools or install IWS, including a step-by-step guide and resources on system options, site evaluations, and wastewater treatment methods.
- **Facilitating online application services** for IWS filings, ensuring that only State of Hawaii licensed engineers can submit these filings.

The DOH's commitment to public health and environmental protection is evident in their active involvement in the IWS sector, ensuring that the installation and use of these systems comply with state regulations and do not compromise the integrity of cultural and environmental resources.

Introduction/Background

Two Main Steps:
1. Approval-to-Construct
2. Approval-to-Use

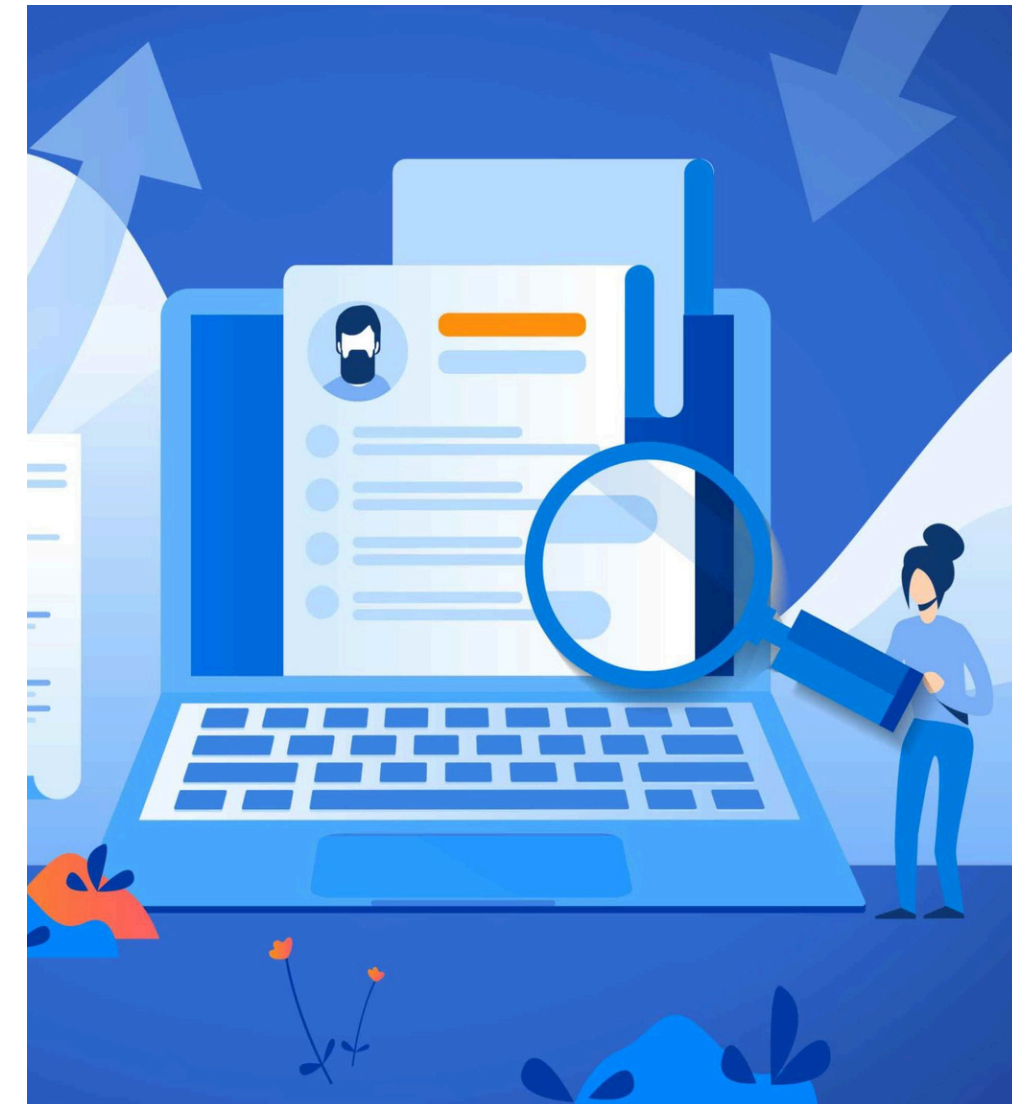
*An IWS installation or conversion must also comply with any historic preservation requirements under chapter 6E, HRS and secure necessary county permits.



Finding 1:

Technology constraints contribute to an “approval gap”

- Review performance at the “front door” of the process is strong, with an average **10-day turnaround to first comments** and **90%+ approval-to-construct rates**.
- **Only about half of approved projects reach approval to use**, indicating that many projects either are delayed, not built, or not properly closed out.
- Database limitations and lack of integration with county permitting systems are obstacles to better tracking of outstanding projects, an improved user experience for applicants, and data transparency for policymakers and the public.



Finding 2:

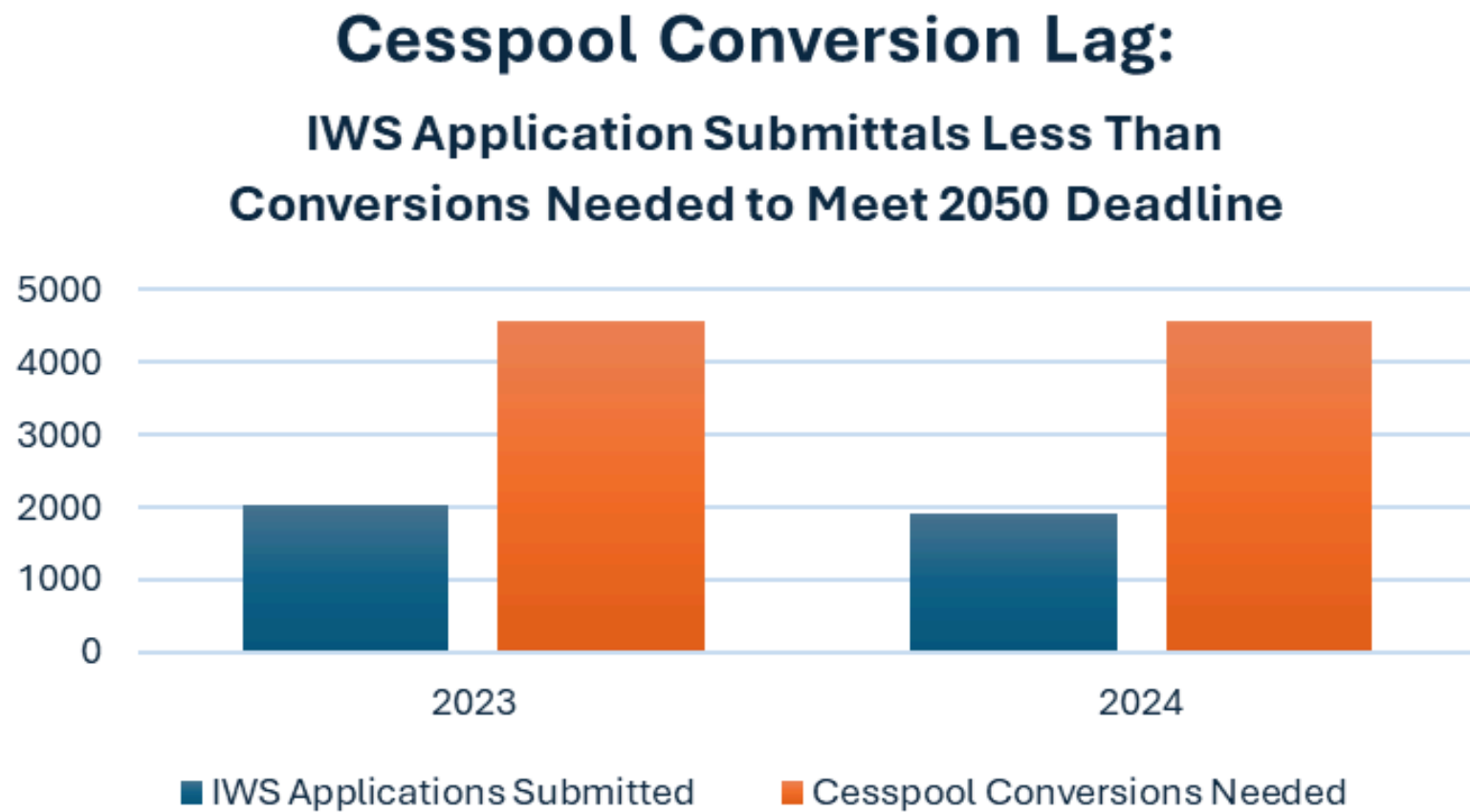
Pervasive shortage of professionals slow progress

- **Counties, SHPD, DOH, and the construction trades all face workforce shortages** that influence how quickly approved designs can be installed and inspected.
- Members discussed a range of approaches to augment capacity, including using emergency-proclamation authority to expedite state hiring and procurement, pursuing indefinite-delivery/indefinite-quantity (IDIQ) consulting contracts, and expanding third-party review at DOH.
- Training and quality control for external support would be critical; poorly prepared third-party work requires extensive staff re-review, negating any potential time saved.



Finding 3:

Cesspool Conversions lag 2050 Mandate



| Location | Existing Cesspools | Conversions Per Year to Meet 2050 |
|-----------|--------------------|-----------------------------------|
| Statewide | 109,825 | 4,578 |
| Hawai'i | 48,596 | 2,025 |
| Kaua'i | 41,300 | 1,721 |
| Maui | 11,038 | 460 |
| O'ahu | 7,491 | 313 |
| Moloka'i | 1,400 | 59 |

Finding 4:

IWS and historic preservation are intertwined

- **IWS installations involve ground disturbance, often in culturally sensitive areas, but rarely trigger SHPD review by themselves.**
- This increases the potential for iwi kūpuna or other cultural resources to be uncovered during construction, at which point remedial options are limited.
- Earlier, more systematic coordination between DOH and SHPD could reduce inadvertent discoveries and late-stage conflicts; however, applying historic review to all IWS projects would strain SHPD's resources and slow approvals.



Finding 5:

Technical standards may be outdated or inadequate

- **Key IWS thresholds—such as the 1,000 gallons-per-day flow limit, five-bedroom cap, and certain “one system per 10,000 square feet” constraints—trace back to rules adopted in the early 1990s.**
- Some of the original engineering documents establishing the rationales for these thresholds have been lost. This suggests that current limits may need to be updated, especially, given advances in science and technology.
- Newer systems may also treat blackwater and graywater separately, rely on holding tanks, or be pre-packaged in tiny homes or RVs in ways not anticipated by past regulations.



Recommendation for Adoption 1:

Fund a Data-Driven Study to Modernize IWS Limits and Enable Innovative Wastewater Technologies

- **Recommendation that the Legislature fund a comprehensive study to re-examine key thresholds and clarify where innovative technologies can safely expand options.**
- This study would evaluate the scientific basis for various sizing inputs, the 1,000 gallons-per-day and 5-bedroom caps per system, the “one system per 10,000 square feet” rule, caps on more than 50 IWS in a single development, and other restrictions and performance/monitoring criteria.

Recommendation for Adoption 2:

Convene IWS Stakeholders Regularly

- **Recommendation to hold regular, structured stakeholder convenings—at least every five years—to review statewide progress on cesspool conversion and IWS performance, reset priorities, and coordinate program changes.**
- Participants should include DOH, all four counties, SHPD, other relevant state agencies, the Legislature, the University of Hawai'i, federal partners as needed, industry and trade representatives, and environmental and cultural organizations. The DOH has offered to chair and/ or host these convenings. Sessions should function as working meetings with shared data, clear agendas, and public reporting on decisions and action items.
- Each convening should integrate new engineering research, update cesspool priority mapping, assess whether incentives are reaching target households and communities, and adjust statutory deadlines or program design as needed to stay aligned with the January 1, 2050, mandate.

Recommendation for Adoption 3:

Create an IWS “Fast Lane”

- **Recommendation to establish a standardized “fast lane” for straightforward residential IWS projects built around pre-approved designs, CAD templates, and streamlined submittal requirements.**
- DOH would develop a small suite of standard designs for common site conditions with accompanying CAD files, engineering requirements, and calculation templates that consulting engineers can adapt for site placement.

Recommendation for Adoption 4:

Fund Incentives for Cesspool Conversion and Regional Infrastructure

- **Recommendations for a coordinated suite of state-funded incentives to accelerate cesspool conversion and strategic wastewater infrastructure investment.**
- On the homeowner side, this includes renewing and expanding the prior DOH cesspool conversion grant pilot established by Act 153, SLH 2022.
- On the infrastructure side, the Task Force recommends funding targeted regional wastewater investments and county-level incentives where sewers or shared systems can cost-effectively reduce reliance on IWS and support housing in growth areas.

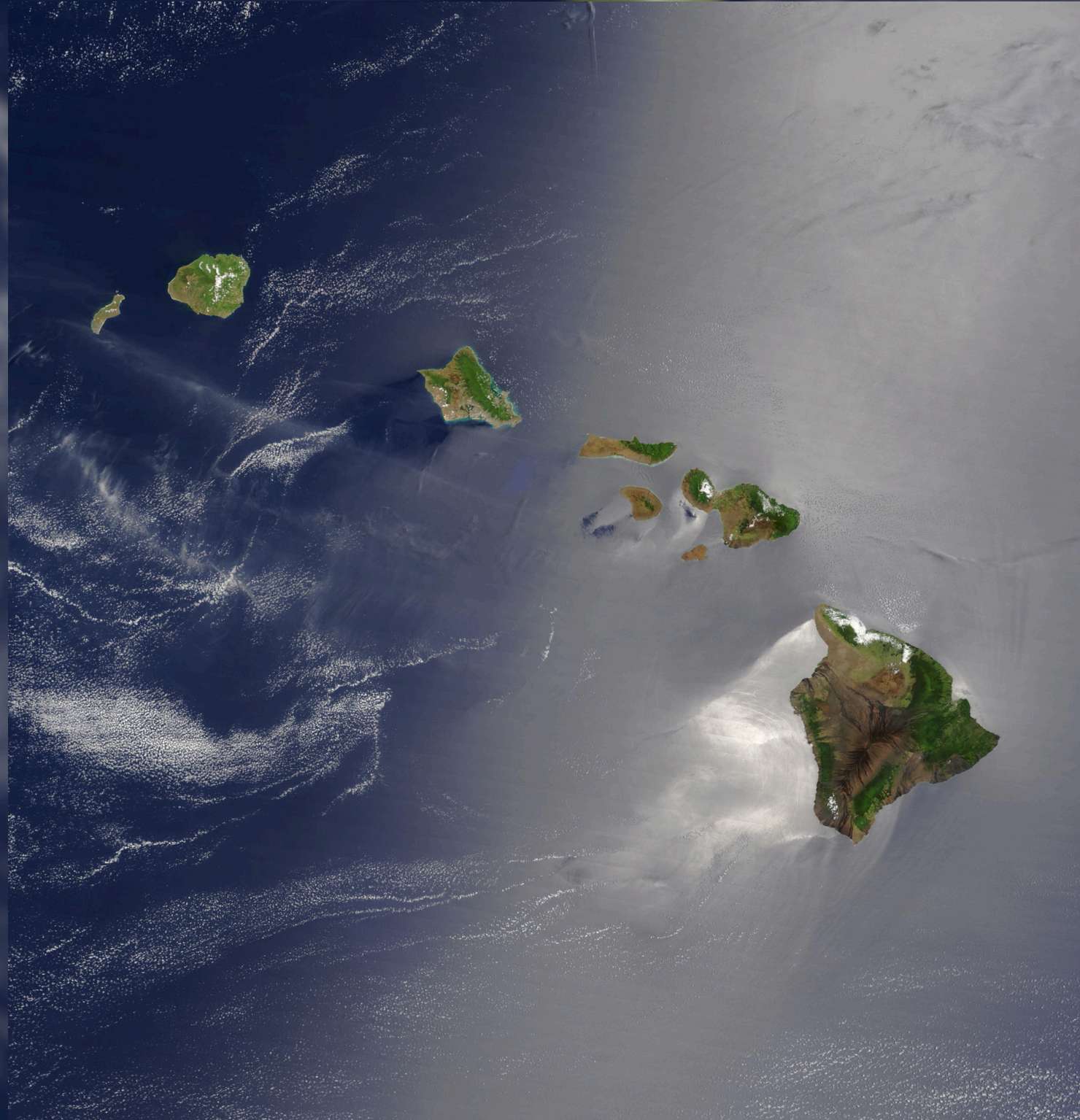
Recommendation for Adoption 5:

Protect Homeowners through Education and Required Disclosure

- **Recommendation for a coordinated education and disclosure initiative so that sellers, buyers, realtors, and lenders understand both the January 1, 2050, cesspool conversion mandate and the two-step IWS approval process.**
- A core element would be a new statutory requirement that sellers disclose the presence and type of any on-site individual wastewater systems (e.g., cesspool, septic tank, aerobic treatment unit, private wastewater treatment works, etc.) and the status of DOH approvals, as well as the statewide January 1, 2050, conversion requirement, at point of sale.
- This should be complemented by clear, plain-language DOH guidance and outreach materials explaining what “approval-to-construct” and “approval-to-use” mean, what records homeowners should retain, and what steps are required convert cesspools or connect to public wastewater collection systems.

Recommendations for Further Study

- **Strengthen DOH Capacity and Explore Third-Party Review**
- **Improve Interagency Coordination and Data Integration**
- **Realign Incentives to Close the Approval-to-Use Gap**
- **Support Shared and Regional Wastewater Solutions**



THANK
YOU

December 2025