

Honolulu, Hawaii
March 2, 2012

RE: H.B. No. 530
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 530 entitled:

"A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT,"

begs leave to report as follows:

The purpose of this measure as received by your Committee is to increase the valuation threshold for developments required to have special management area use permits and special management area minor permits.

For the purpose of a public hearing, your Committee circulated a proposed draft that deleted this measure's contents and replaced them with provisions that, among other things, temporarily:

- (1) Makes the Office of Planning responsible for granting or denying special management area permits, including special management area emergency permits, for state projects;
- (2) Provides that an action may not be brought against the Office of Planning for specified actions regarding the granting or denying of special management area permits;
- (3) Makes the Office of Planning responsible for granting or denying a variance for a state structure or activity in a shoreline area; and



- (4) Repeals the requirement that Department of Transportation construction projects be submitted for review and that they be found not in conflict with any county ordinances, zoning laws, and building codes.

The proposed draft also appropriates \$100,000 in general revenues to employ two planner positions to perform the duties of the Office of Planning under this measure.

The Chamber of Commerce of Hawaii, Building Industry Association-Hawaii, and a concerned individual supported this bill. The Department of Transportation, Conservation Council for Hawai'i, Sierra Club-Hawai'i Chapter, and several concerned individuals opposed this measure. The Department of Business, Economic Development, and Tourism and Department of Land and Natural Resources provided comments.

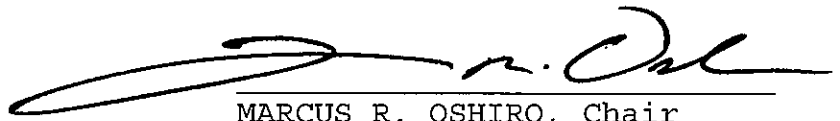
Your Committee has amended this measure by adopting the proposed draft and further amending the draft by:

- (1) Granting the Department of Land and Natural Resources and Department of Transportation the authority to exempt state projects from the requirements for special management areas and shoreline setbacks in Chapter 205A, Hawaii Revised Statutes, as long as projects implemented under this authority are subject to consultation with the Office of Conservation and Coastal Lands, the Office of Planning, and the requirements associated with environmental impact statements;
- (2) Repealing the authority granted to Department of Land and Natural Resources and Department of Transportation under number (1) above on June 30, 2013;
- (3) Making unspecified the appropriation amount;
- (4) Specifying that the intention of this measure is not to jeopardize the receipt of federal funds and that any provision that has that effect shall be void;
- (5) Inserting a severability clause; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.



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. 530, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 530, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



