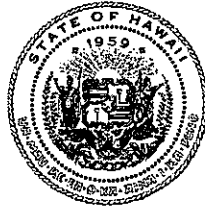
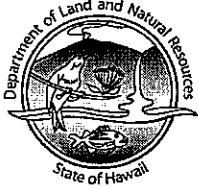


NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
FINANCE**

**Tuesday, February 28, 2012
11:00 A.M.
State Capitol, Conference Room 308**

**In consideration of
HOUSE BILL 530, PROPOSED HOUSE DRAFT 1
RELATING TO COASTAL ZONE MANAGEMENT**

House Bill 530, Proposed House Draft 1 makes the Office of Planning (OP) responsible for granting or denying Special Management Area (SMA) permits for state projects and for granting or denying shoreline setback variances for state structures or activities, and repeals provision requiring department of transportation facilities to be found not in conflict with county ordinances, zoning laws, and building codes. The Department of Land and Natural Resources (Department) appreciates the intent of this measure to expedite the implementation of construction projects to improve or repair our deteriorated facilities and create jobs to improve the economy, however, the Department defers to OP regarding its ability and functionality to perform and implement this measure.

The Department is in the early stages of discussion with OP to develop a streamlined process that expedites the implementation of Departmental projects while maintaining consistency with the federal and state approved Coastal Zone Management Program. The Department has concerns that this measure may impose functions on OP which they may not have the resources to carry-out. This may be counter-productive to the intent of this measure which is to expedite SMA permit applications to accelerate projects.

To accelerate Departmental projects, in lieu of amending Chapter 205A, Hawaii Revised Statutes (HRS), the Department recommends that language be added to Section 171-6, HRS, to give the Board of Land and Natural Resources authority to exempt projects from the requirements of PART II and PART III of Chapter 205A, HRS. Any project implemented under this authority would be subject to consultation with the Department's Office of Conservation and Coastal Lands, OP, and Chapter 343, HRS, requirements.

Thank you for the opportunity to comment.

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



CONSERVATION COUNCIL FOR HAWAII

Testimony Submitted to the House Committee on Finance

Hearing: Tuesday, February 28, 2012 11:00 a.m.
Conference Room 308

In Opposition to HB 530 HD 1 Relating to Coastal Zone Management

Aloha. The Conservation Council for Hawai'i opposes HB 530 HD 1. This bill is not in the public interest and is bad public land-use policy. We believe elected officials are misguided by the belief that requirements to protect the coastal zone are a drag on the economy.

Exempting state and county capital improvement projects from requirements to protect the coastal zone is not going to revitalize the economy, and in the long term, will likely cost the people of Hawai'i.

We also object to the House leadership re-referring this bill to only the Finance Committee and avoiding hearings by the subject committees.

Mahalo nui loa for the opportunity to testify. Please oppose HB 530 HD 1

Sincerely,
Marjorie Ziegler



Hawai'i's Voice for Wildlife – *Ko Leo Hawai'i no na holoholona lohiu*

Telephone/Fax 808.593.0255 • email: info@conservehi.org • web: www.conservehi.org
P.O. Box 2923 • Honolulu, HI 96802 • Office: 250 Ward Ave., Suite 220 • Honolulu, HI 96814

President: Hannah Springer * Vice-President: Julie Leialoha * Treasurer: Rick Barboza * Secretary: Maka'ala Ka'aumoana
Directors: Lida Pigott Burney * Koalani Kaulukukui * Robin Kaye
Executive Director: Marjorie Ziegler



**Testimony to the House Committee on Finance
February 28, 2012
11:00 a.m.
State Capitol - Conference Room 308**

RE: HOUSE BILL NO. 530 PROPOSED HD 1 COASTAL ZONE MANAGEMENT

Chair Oshiro, Vice Chair Lee, and members of the committee:

The Chamber of Commerce of Hawaii strongly supports H.B. 530, PROPOSED HD 1. The bill proposes to temporarily make the office of planning responsible for granting or denying special management area permits for state projects. It will also make the office of planning responsible for granting or denying shoreline setback variances for state structures or activities, and repeals provision requiring department of transportation facilities to be found not in conflict with county ordinances, zoning laws, and building codes. The provisions of this bill will sunset on 06/30/15.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

Chapter 205A HRS was created by the Legislature and allowed for "... special controls on developments within an area along the shoreline are necessary to avoid permanent losses of valuable resources and the foreclosure of management options, and to ensure that adequate access, by dedication or other means, to public owned or used beaches, recreation areas, and natural reserves are provided. The legislature finds and declares that it is the state policy to preserve, protect, and where possible, to restore the natural resources of the coastal zone of Hawaii."

It would appear that the time to address the shoreline management issues would be when the facility, such as a government airport, is first being proposed. Logically, then if there is an impact, the airport should not be built. Once it is built, it would appear to be overly redundant to issue a SMA permit each time any work is being done within the airport facility.

To require and/or limit SMA permits for existing State facilities based on interior or renovation work seems to be unnecessary especially if the facility is already approved within the SMA. The bill would allow the Office of Planning to remove some of the redundancy in the permitting process. Perhaps, given the original intent of Chapter 205A, HRS, the entire state facility should be exempt or at the very least granted a SMA permit for the entire facility.

Thank you for this opportunity to express our views.

BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

Testimony to the House Committee on Finance
Tuesday, February 28, 2012
11:00 a.m.
State Capitol - Conference Room 308

RE: HOUSE BILL NO. 530 Proposed HD 1, COASTAL ZONE MANAGEMENT

Chair Oshiro, Vice Chair M. Lee, and members of the committee:

My name is Gladys Quinto-Marrone of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII **strongly supports** H.B. 530, HD 1. The bill proposes to temporarily make the office of planning responsible for granting or denying special management area permits for state projects. It will also make the office of planning responsible for granting or denying shoreline setback variances for state structures or activities, and repeals provision requiring department of transportation facilities to be found not in conflict with county ordinances, zoning laws, and building codes. The provisions of this bill will sunset on 06/30/15.

Chapter 205A HRS was created by the Legislature and allowed for "... special controls on developments within an area along the shoreline are necessary to avoid permanent losses of valuable resources and the foreclosure of management options, and to ensure that adequate access, by dedication or other means, to public owned or used beaches, recreation areas, and natural reserves are provided. The legislature finds and declares that it is the state policy to preserve, protect, and where possible, to restore the natural resources of the coastal zone of Hawaii."

It would appear that the time to address the shoreline management issues would be when the facility, such as a government airport, is first being proposed. Logically, then if there is an impact, the airport should not be built. Once it is built, it would appear to be overly redundant to issue a SMA permit each time any work is being done within the airport facility.

To require and/or limit SMA permits for existing State facilities based on interior or renovation work seems to be unnecessary especially if the facility is already approved within the SMA. The bill would allow the Office of Planning to remove some of the redundancy in the permitting process. Perhaps, given the original intent of Chapter 205A, HRS, the entire state facility should be exempt or at the very least granted a SMA permit for the entire facility.

Thank you for this opportunity to express our views.

Thorne Abbott

LATE TESTIMONY

COMMITTEE ON FINANCE

Rep. Marcus R. Oshiro, Chair

Rep. Marilyn B. Lee, Vice Chair

In Opposition to

- **HB 2613**, Exempts commercial harbors from Conservation District permitting
- **HB1813**, Exempts CIP projects from SMA permitting / review
- **HB 1893**, Exempts government projects from environment review
- **HB 530, HD1**, Places SMA permitting authority with the Office of Planning for State projects and annuls and circumvents County and Island home rule

Hearing: Tuesday, February 28, 2012, 11:00 a.m

Dear Honorable Chairs Oshiro and Lees and Members of the Committees:

I strongly **OPPOSE** HB2613, HB1813, HB 1893, and HB530, HD1!

The four bills are intended to create construction jobs by expediting Hawaii's governmental infrastructure improvement projects. While both of these goals are worthwhile, each bill and their culmination will have the exact opposite effect.

As noted by the State Office of Planning (OP) in their testimony on HB 1813 the bill

"...would jeopardize federal approval of the Hawaii CZM Program, and in turn, the State of Hawaii may lose approximately \$2 million of federal funds annually. This loss of federal funding translates to a loss of nine positions at OP, six positions at the planning department of Hawaii County, four positions at the planning department of Kauai County, and four positions at the planning department of Maui County" (Reason #6 of 2/10/2012 written testimony).

Along with 23 jobs and \$2 million in **FEDERAL** funds lost, numerous consultants, surveyors, planners, administrative staff both within government and outside of government will risk job loss. Furthermore, should a government project involve federal funds in any manner, it would require a determination by OP that the project is consistency with the federal Coastal Zone Management Act. As such, OP would experience a substantial increase in workload but have lost staff due to these bills interference with the coastal zone management program and resulting cuts in professional staff levels.

A better solution is to minimize county building permit review through the use of Plan Review Waivers. Expediting historic review by adding staff and capacity to the State Historic Preservation Division (SHPD) would also streamline projects. More SHPD staff means faster review and approval of projects unlikely to adversely affect cultural artifacts and burials. Before staff cuts, SHPD-approved Inventory Surveys were online. Consultants and developers could glean these surveys to avoid potentially sensitive areas when planning new projects. Presently, one has to drive to Kapolei and hand review archived written documents, thus delaying project planning, implementation, and construction. Environmental and SMA review improves projects, particularly since Hawaii's ecology is a significant draw for visitors, it doesn't delay viable infrastructure improvements.

In summary, HB2613, HB1813, HB1893 and HB530, HD1 are all unlikely to achieve the Legislature's objectives of streamlining permitting and creating jobs. Instead, it risk the loss of valuable, trained professional staff in the government, non-government, and private sector, delay projects, overwhelm government agencies such as OP and SHPD, and annul home rule whereby the individual counties and islands dictate coastal development patterns. I strongly encourage you to vote against the bills and remove them from further consideration.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 1:05 PM
To: FINTestimony
Cc: charlene.felkley@gmail.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Charlene Felkley
Organization: Individual
E-mail: charlene.felkley@gmail.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 1:56 PM
To: FINTestimony
Cc: ssseahorse@msn.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Susan Stone
Organization: Individual
E-mail: ssseahorse@msn.com
Submitted on: 2/27/2012

Comments:
This is not right. I oppose this bill.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 26, 2012 8:59 PM
To: FINTestimony
Cc: sixfootandglassy@gmail.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Mitchell S. Smith
Organization: Individual
E-mail: sixfootandglassy@gmail.com
Submitted on: 2/26/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 7:37 PM
To: FINTestimony
Cc: Brenda.Kosky@gmail.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Support
Testifier will be present: No
Submitted by: Brenda Kosky
Organization: Individual
E-mail: Brenda.Kosky@gmail.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 26, 2012 8:28 PM
To: FINTestimony
Cc: ddruz@aol.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: David Druz
Organization: Individual
E-mail: ddruz@aol.com
Submitted on: 2/26/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 3:13 AM
To: FINTestimony
Cc: lance.duncan@live.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Lance Duncan
Organization: Individual
E-mail: lance.duncan@live.com
Submitted on: 2/27/2012

Comments:

I oppose adoption of HB530 because places the government in a default setting of approving without permits any project within the currently protected area. While many projects may be worthwhile and of community benefit, setting arbitrary and short time frames for analysis of the type of projects and possible impacts in favor of development which may come at irreversible environmental and cultural costs is not good policy. The only time rushing to extreme action makes good policy sense is in the protection of life or property. This bill rushes us towards the potential destruction of irreplaceable resources.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 5:51 AM
To: FINTestimony
Cc: nrtshrlv@gmail.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Jessica dos Santos
Organization: Individual
E-mail: nrtshrlv@gmail.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 6:00 AM
To: FINTestimony
Cc: matticl@aol.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Matthew Reid
Organization: Individual
E-mail: matticl@aol.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 6:09 AM
To: FINTestimony
Cc: rkaye@mdi.net
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Robin Kaye
Organization: Individual
E-mail: rkaye@mdi.net
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 4:21 PM
To: FINTestimony
Cc: nimboy44@aol.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: W Quinlan
Organization: Individual
E-mail: nimboy44@aol.com
Submitted on: 2/27/2012

Comments:
Takes away important and necessary controls

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 5:10 PM
To: FINTestimony
Cc: dearpauline@hotmail.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Pauline Mac Neil
Organization: Individual
E-mail: dearpauline@hotmail.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:33 AM
To: FINTestimony
Cc: vsc@hawaiiantel.net
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Victoria Cannon
Organization: Individual
E-mail: vsc@hawaiiantel.net
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 8:10 AM
To: FINTestimony
Cc: jamie.brewer@fsis.usda.gov
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: JAMIE BREWER
Organization: Individual
E-mail: jamie.brewer@fsis.usda.gov
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 9:01 AM
To: FINTestimony
Cc: barbarageorge40@yahoo.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Barbara George
Organization: Individual
E-mail: barbarageorge40@yahoo.com
Submitted on: 2/27/2012

Comments:
OPPOSE!!

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 8:00 AM
To: FINTestimony
Cc: jjinhawaii@aol.com
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: Jeff Jones
Organization: Individual
E-mail: jjinhawaii@aol.com
Submitted on: 2/27/2012

Comments:

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 8:51 AM
To: FINTestimony
Cc: helmsman@lava.net
Subject: Testimony for HB530 on 2/28/2012 11:00:00 AM

Testimony for FIN 2/28/2012 11:00:00 AM HB530

Conference room: 308
Testifier position: Oppose
Testifier will be present: No
Submitted by: mike dixon
Organization: Individual
E-mail: helmsman@lava.net
Submitted on: 2/27/2012

Comments:
The public must have time and opportunity to review projects.



BOARD OF DIRECTORS
EXECUTIVE COMMITTEE

THE OUTDOOR CIRCLE

Joel Kurokawa
President

February 27, 2012

Marcy Fleming
1st Vice President

The Honorable Representative Marcus Oshiro
House Committee on Finance

Maureen Murphy
2nd Vice President

Hawai'i State Capitol
Honolulu, HI 96813

Diane Anderson
3rd Vice President

RE: LATE Testimony opposing HB530 relating to Coastal Zone Management

Betsy Connors
4th Vice President

Chair Oshiro and Committee Members:

Diane Harding
Treasurer

The Outdoor Circle (TOC) opposes this proposed legislation.

Heather Shank
Assistant Treasurer

HB530 is another in a string of ill-advised legislation presented at the Capitol this year, all of which have one common thread—watering down or eliminating long-standing safeguards designed to protect our most valuable and desirable lands and natural resources...all in the name of making it easier for development project to move forward.

Teresa Trueman-Madriaga
Secretary

In this case the legislation increases the valuation threshold for developments required to have a Special Management Area permit.

Alexandra Avery
Advisor

This SMA permit is a management tool to assure that certain developments near Hawaii's priceless shoreline are designed and carried out in compliance with the objectives of Hawaii's Coastal Zone Management program. Hawaii's CZM program was created by the 1977 Hawaii legislature. It has been a proven catalyst for protecting, restoring and responsibly developing Hawaii's important and diverse coastal communities and resources. And the SMA permit is the cornerstone of Hawaii's CZM program.

Jo Ann Best
Advisor

The test for whether an SMA permit is required should not be the valuation of the project but its potential impact on the environment. In many, perhaps most cases, projects at the valuation threshold required in this legislation are not likely to trigger an SMA permit, but it is possible. And if it is determined that the project poses a threat to coastal resources then it is in the best interest of the environment and the people of Hawaii for the project go through the SMA permit process.

Paula Riss
Advisor

Marcy Fleming
Bradley Totherow
Finance

BRANCHES

East Honolulu (O'ahu)

Kane'ohe (O'ahu)

Kapolei (O'ahu)

Kaua'i

Kona (Hawai'i)

Lani-Kailua (O'ahu)

Maui

North Shore (O'ahu)

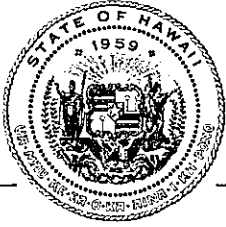
Waikoloa Village (Hawai'i)

Waimea (Hawai'i)

On behalf of thousands of statewide members of The Outdoor Circle we ask you to please hold this legislation.

Respectfully,

Bob Loy
Director of Environmental Programs



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR
RICHARD C. LIM
DIRECTOR
MARY ALICE EVANS
DEPUTY DIRECTOR
JESSE K. SOUKI
DIRECTOR
OFFICE OF PLANNING

OFFICE OF PLANNING

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824

Statement of
JESSE K. SOUKI
Director, Office of Planning
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE
Tuesday, February 28, 2012
11:00 AM
State Capitol, Conference Room 308

in consideration of
HB 530, PROPOSED HD1
RELATING TO COASTAL ZONE MANAGEMENT.

Chair Oshiro, Vice Chair Lee, and Members of the House Committee on Finance.

The Office of Planning (OP) administers Hawaii Revised Statutes (HRS) Chapter 205A, Hawaii's Coastal Zone Management (CZM) law, which implements the CZM Act passed by the U.S. Congress in 1972. The special management area (SMA) permitting system is part of the federal and state approved Hawaii CZM Program. The SMA, a subset of the larger coastal zone, generally extends inland from the shoreline to the nearest highway. This is the most sensitive area of the coastal zone, within which the legislature determined that special controls on developments were needed to (1) avoid permanent losses of valuable resources and the foreclosure of management options, (2) ensure that adequate access, by dedication or other means, to public owned or used beaches, recreation areas, and natural reserves is provided, and (3) preserve, protect, and where possible, to restore the natural resources of the coastal zone of Hawaii. See HRS §205A-21. Within this narrow band around the coast, proposed "development" is required to obtain an SMA permit from the respective county within which it is located.

OP appreciates the intent of HB530, Proposed HD1, which attempts to expedite SMA permit applications for state projects and shoreline setback variance applications for state structures and activities by making OP responsible for the issuance of such permits and variances. However, OP must oppose this measure for the following reasons.

First, OP is working with state agencies to develop a streamlined process that maintains consistency with the federal and state approved CZM Program. In our preliminary discussions, we have had positive feedback from the state Department of Transportation and the Department of Land and Natural Resources. However, we still need to formalize the process, coordinate with other affected state agencies, and confer with the National Oceanic and Atmospheric Administration (the federal agency which funds the state's CZM Program). The Administration will have a proposed bill to address these issues in the next legislative session. The process we are discussing is conceptual at this point, but it will address the two concerns outlined below and may not require additional funding or personnel as proposed in HB530 HD1.

In the interim, OP supports certain stop-gap bills that exempt certain state projects from SMA permitting, because those bills include a sunset date, does not change HRS Chapter 205A, and provides that the affected agencies will consult with the CZM Program on consistency.

Second, OP does not have the infrastructure, staff, or finances to carry out SMA permitting activities currently done by the counties. The SMA permit process is part of the federal and state approved Hawaii CZM Program. When the state developed the SMA permit system, it was determined at that time that the counties would be primarily responsible for assessing, reviewing, holding public hearings and contested cases, and making final determinations on exemptions and minor or major SMA permits.

Third, OP is not a permitting office. The intent of the Hawaii CZM Program is a networked concept. The CZM Program provides administration, support, and guidance to the network as the primary recipient of federal CZM Act funds. This allows the CZM

Program to focus on the big picture as it relates to coastal zone and ocean planning and policy. For example, the CZM Program works with various University of Hawaii, public, and county, state, and federal agency stakeholders in the following activities:

- Developing and implementing the Hawaii Ocean Resources Management Plan;
- Implementing the President's National Ocean Policy;
- Implementing the Coastal and Nonpoint Source Pollution Control Program;
- Addressing beach access issues from a statewide perspective;
- Providing guidance and tools for coastal management that balances economic, cultural, and environmental impacts; and
- Addressing the impacts from climate change, primarily in the area of sea level rise.

All of these projects and programs leverage limited general funds to obtain federal grant monies to support these endeavors, which ensure that coastal resources (e.g., beaches, reefs, fish, public access, etc.) are available to future generations.

Thank you for the opportunity to comment on this bill.