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H.B. NO. <sup>2468</sup> H.D. 2

### A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL PROTECTION.

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

### PART I

2 SECTION 1. The legislature finds that many important aspects of our State, including its economy and the way of life 3 of its communities, rely on the preservation of its beaches. 4 5 However, beach loss has accelerated at an unprecedented rate in recent decades, resulting in Hawaii losing more than seventeen 6 miles of beaches. Repeated king tides have deteriorated beaches 7 and sea walls and shoreline hardening has hastened the rate of 8 9 beach loss.

10 As rising sea levels and intensifying erosion continue to 11 threaten beaches, Hawaii's economy faces tens of billions of 12 dollars in potential losses. The loss of Waikiki beach alone 13 would cause an estimated \$2,000,000,000 in annual losses to 14 Hawaii's economy. Losing similar beaches that are critical to 15 our communities would also be devastating, resulting in 16 significant decreases in property values, revenues to local businesses, and the overall quality of life in the State. 17

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1	As beaches erode and retreat, the State	may need to acquire
2	adjacent private lands to ensure that space	exists for beaches
3	and dune systems to survive. The acquisitio	n of adjacent land
4	will also enable continued public access to	these priceless
5	community assets. Additionally, acquiring a	djacent property
6	will create a buffer zone between the shorel	ine and developed
7	areas to protect the State from potential na	tural disasters.
8	The purpose of this Act is to ensure th	e preservation of
9	Hawaii's beaches for future generations by:	
10	(1) Establishing a Hawaii beach preser	vation special fund
11	within the treasury of the State t	o be used to acquire
12	lands to facilitate landward retre	at or carry out
13	other forms of managed retreat for	the protection of
14	<pre>public beaches;</pre>	
15	(2) Creating a working group within th	ne Hawaii climate
16	change mitigation and adaptation o	commission to
17	determine appropriate funding mech	anisms for the
18	Hawaii beach preservation special	fund; and
19	(3) Establishing a three-year north sh	ore Oahu pilot
20	project to explore managed retreat	options to address
21	current emergency beach conditions	and investigate



1	managed retreat options that may be replicated
2	elsewhere in the State.
3	PART II
4	SECTION 2. Chapter 171, Hawaii Revised Statutes, is
5	amended by adding a new section to part VIII to be appropriately
6	designated and to read as follows:
7	" <u>§171- Hawaii beach preservation special fund. (a)</u>
8	There is established a Hawaii beach preservation special fund
9	within the treasury of the State into which shall be deposited:
10	(1) All appropriations made by the legislature to the
11	fund; and
12	(2) Gifts, donations, and grants from public agencies and
13	private persons.
14	All interest earned or accrued on moneys deposited into the
15	fund shall become part of the fund.
16	(b) Subject to legislative appropriation, the department
17	of land and natural resources may expend moneys from the fund to
18	acquire from landowners lands needed to ensure the perpetuation
19	of sandy beaches for the public by facilitating landward retreat
20	where those beaches are undergoing submersion and erosion due to
21	sea level rise and to carry out other forms of managed retreat

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1	for the p	rotection of public beaches, with the prior	
2	authorization of the legislature by concurrent resolution.		
3	Lands acquired pursuant to this section shall be managed by the		
4	department or other agency, as appropriate.		
5	(c)	The department shall adopt rules in accordance with	
6	chapter 91 to effectuate the purposes of this section."		
7	SECT	ION 3. (a) There shall be established within the	
8	Hawaii cl	imate change mitigation and adaptation commission a	
9	Hawaii beach preservation working group. The working group		
10	shall identify effective funding mechanisms for the Hawaii beach		
11	preservation special fund.		
12	(b)	The working group shall consider as possible funding	
13	mechanisms for the Hawaii beach preservation special fund:		
14	(1)	Increases to the conveyance tax applicable to	
15		shoreline properties;	
16	(2)	Taxes or surcharges on real property; and	
17	(3)	Any other funding mechanism the working group deems	
18		appropriate.	
19	(c)	The commission shall determine the working group's	
20	membershi	p from among the commission's members.	

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1	(d) The working group shall submit a report with findings		
2	and recommendations, including proposed legislation, if any, to		
3	the legislature no later than twenty days prior to the convening		
4	of the regular session of 2019. Copies of the report shall be		
5	transmitted to the mayor of each county.		
6	SECTION 4. There is appropriated out of the general		
7	revenues of the State of Hawaii the sum of \$ or so much		
8	thereof as may be necessary for fiscal year 2018-2019 to be		
9	deposited into the Hawaii beach preservation special fund.		
10	SECTION 5. There is appropriated out of the Hawaii beach		
11	preservation special fund the sum of \$ or so much		
12	thereof as may be necessary for fiscal year 2018-2019 for the		
13	purpose of purchasing property from landowners threatened by sea		
14	level rise or beach erosion and carrying out other forms of		
15	managed retreat.		
16	The sum appropriated shall be expended by the department of		
17	land and natural resources for the purposes of this Act.		
18	PART III		
19	SECTION 6. (a) There is established the north shore Oahu		
20	pilot program, to be administered by the department of land and		
21	natural resources until June 30, 2021, to address sea level rise		

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and beach erosion by exploring managed retreat options for beach
 preservation in the State.

3 The north shore Oahu pilot program shall investigate (b) 4 and make recommendations for managed retreat options, including 5 buyouts or other methods of land acquisition, that address 6 current emergency conditions at legacy beaches on Oahu's north 7 shore and that may be replicated elsewhere in the State to 8 preserve beaches with economic and cultural value. The pilot 9 program shall make recommendations for strategies that may be 10 funded through the Hawaii beach preservation special fund 11 established pursuant to section 171- , Hawaii Revised Statutes. 12 The pilot program shall focus on the north shore of Oahu and 13 other beaches in the State of Hawaii that have economic and 14 cultural value.

(c) The north shore Oahu pilot program shall submit a
report of its findings and recommendations, including any
proposed legislation, to the legislature no later than twenty
days prior to the convening of the regular session of 2021.

19 (d) The north shore Oahu pilot project shall be dissolved20 on June 30, 2021.

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1	SECTION 7. There is appropriated out of the general
2	revenues of the State of Hawaii the sum of \$ or so much
3	thereof as may be necessary for fiscal year 2018-2019 for the
4	north shore Oahu pilot program.
5	The sum appropriated shall be expended by the department of
6	land and natural resources for the purposes of this Act.
7	PART IV
8	SECTION 8. New statutory material is underscored.
9	SECTION 9. This Act shall take effect on July 1, 2050;
10	provided that part III of this Act shall be repealed on June 30,
11	2021.



### Report Title:

Department of Land and Natural Resources; Climate Change; Special Fund; Working Group; Pilot Program; Appropriation

#### Description:

Establishes a Hawaii Beach Preservation Special Fund. Authorizes the DLNR to expend moneys from the Special Fund to acquire lands for beach preservation with prior authorization of the Legislature. Creates a working group within the Hawaii Climate Change Mitigation and Adaptation Commission to determine appropriate funding mechanisms for the Special Fund. Establishes a three-year North Shore Oahu Pilot Program under DLNR to explore managed retreat options. Appropriates funds. (HB2468 HD2)

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