

STAND. COM. REP. NO. 225

Honolulu, Hawaii

February 8, 2019

RE: H.B. No. 1564

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and Water, Land, & Hawaiian Affairs, to which was referred H.B. No. 1564 entitled:

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

beg leave to report as follows:

The purpose of this measure is to ensure the preservation of Hawaii's beaches for future generations by:

- (1) Establishing the Hawaii Beach Preservation Revolving Fund within the state treasury;
- (2) Creating a low-interest Contingent Mortgage Financing Pilot Program to encourage certain shoreline property owners to relocate mauka of expected sea level rise and erosion hazard zones;
- (3) Appropriating funds for the Hawaii Beach Preservation Revolving Fund, to be used for the Contingent Mortgage Financing Pilot Program;
- (4) Increasing the conveyance tax rate for certain oceanfront properties with a value of \$10,000,000 or more and for which the purchaser is ineligible for a homeowner's property tax exemption and allocating 100%



of taxes collected on those properties to be deposited into the Hawaii Beach Preservation Revolving Fund; and

- (5) Prohibiting, without exception, the construction or repair of any shoreline hardening structures, including seawalls and revetments, that would impede the natural landward movement of public trust lands.

Surfrider Foundation's Hawaii Chapters, Life of the Land, Hawaii Farmers Union, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and several individuals supported this measure. The League of Women Voters of Hawaii supported the intent of this measure. The Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Maui Electric Company, and an individual opposed this measure. The Office of Planning, Department of Land and Natural Resources, Department of Taxation, Department of Budget and Finance, University of Hawaii System, EcoTipping Points Project, and Maui Tomorrow Foundation provided comments.

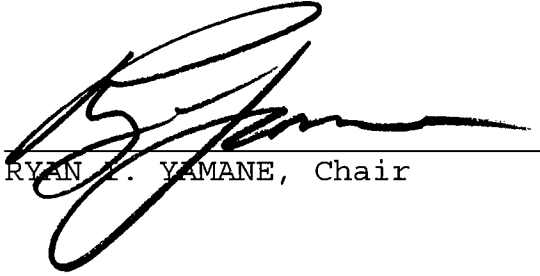
Your Committees have amended this measure by:

- (1) Clarifying that a public hearing may be waived prior to action on a variance application for temporary protection of a legal structure or public facility under an emergency authorization issued by the appropriate authority, subject to certain provisions;
- (2) Repealing the exemption which allowed for the inadvertent taking of certain beach and marine deposits from the shoreline area;
- (3) Providing that hardship may be considered by the appropriate authority for applicants of a variance for private facilities or improvements that will neither adversely affect beach processes, result in flanking of adjacent properties, nor curtail public access;
- (4) Changing its effective date to July 1, 2100, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

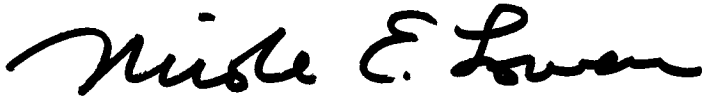


As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water, Land, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1564, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1564, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Water, Land, & Hawaiian
Affairs,



RYAN P. YAMANE, Chair



NICOLE E. LOWEN, Chair



