STAND. COM. REP. NO.

1094

Honolulu, Hawaii

, 2025

FEB 28

RE: H.B. No. 732 H.D. 2

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

## Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 732, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SHORELINE MANAGEMENT AREAS," begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow single-family residences that are less than three thousand five hundred square feet in floor area and not part of a larger development, regardless of development valuation, to be eligible for a special management area minor permit; and
- (2) Increase the valuation of development that determines the necessity of a special management area minor permit or special management area use permit to \$750,000 and require that amount to be increased every five years for inflation.

Your Committee received testimony in support of this measure from the Office of Planning and Sustainable Development; Office of the Mayor of the County of Maui; Department of Planning and Permitting of the City and County of Honolulu; Hawai'i Association of REALTORS; Grassroot Institute of Hawaii; American Institute of

Architects, Hawai'i State Council; Maui Chamber of Commerce; and one individual.

Your Committee finds that special management areas are areas specially controlled to limit shoreline development to avoid the permanent loss of valuable resources and the foreclosure of planning and management options, while ensuring adequate access, by dedication or other means, to public owned or used beaches, recreation areas, and natural reserves. However, the permit valuation thresholds have not been updated to reflect the rising costs of labor, materials, and development over time. This measure raises the permit valuations to account for the increased costs.

Your Committee has amended this measure by:

- (1) Clarifying when inflation adjustments begin for purposes of a special management area minor permit and special management area use permit; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 732, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 732, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Judiciary & Hawaiian Affairs,

DAVID A. TARNAS, Chair

2025-2393 HB732 HD2 HSCR HMSO

## State of Hawaii



## Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.:	Committee Referral: Date:			
HB 732 HDI	WALNHA 02/27/2025			15
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)				
2. POEPOE, Mahina (VC)	V			
3. BELATTI, Della Au			in Man	
4. COCHRAN, Elle				
5. HASHEM, Mark J.				
5. HASHEWI, Wark J.				
6. KAHALOA, Kirstin				
7 DEDDUCO A				
7. PERRUSO, Amy A.	V			
8. TAKAYAMA, Gregg				
9. TODD, Chris				
10. 01. 12. 12.				
10. GARCIA, Diamond				
11. SHIMIZU, Garner M.				
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TOTAL (11)	10	D	D	
The recommendation is:  Adopted If joint referral,  committee acronym(s)  Not Adopted  did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				