

STAND. COM. REP. NO. 1289

Honolulu, Hawaii

MAR 21 2025

RE: H.B. No. 732
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Water and Land and Housing, to which was referred H.B. No. 732, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO SHORELINE MANAGEMENT AREAS,"

beg leave to report as follows:

The purpose and intent 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 the amount to be adjusted every five years for inflation.

Your Committees 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, Planning Department of the County of Hawai'i, Hawai'i Association of REALTORS,



Grassroot Institute of Hawaii, Maui Chamber of Commerce, and three individuals.

Your Committees received testimony in opposition to this measure from Earthjustice, Surfrider Foundation Hawai'i Region, Keep the North Shore Country, and six individuals.

Your Committees find that the valuation thresholds for special management permits must be increased. Your Committees further find that significant increases in construction costs have caused a disproportionate number of permits to be triggered based solely on valuation, creating undue burdens on both property owners and permitting authorities. Your Committees also find that without an adjustment, the existing process risks overwhelming permitting authorities and delaying recovery efforts, including the reconstruction of Lahaina in the wake of the 2023 Maui wildfires. Accordingly, this measure will facilitate recovery efforts by increasing the valuation thresholds for special management area permits and special management area minor permits.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 732, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 732, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Housing,



STANLEY CHANG, Chair



LORRAINE R. INOUE, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

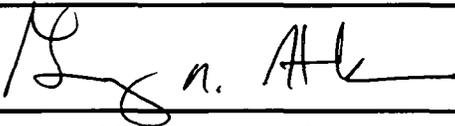
Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 732 HD2	WTL/HOU, JDC	03/10/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
ELEFANTE, Brandon J.C. (VC)	✓			
CHANG, Stanley	✓			
MCKELVEY, Angus L.K.				✓
DECORTE, Samantha			✓	
TOTAL	3	0	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; margin-top: 10px;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 732, HD2	WTL/HOU, JDC	3-18-25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	✓			
HASHIMOTO, Troy N. (VC)	✓			
AQUINO, Henry J.C.	✓			
KANUHA, Dru Mamo	✓			
FEVELLA, Kurt				✓
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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