

Honolulu, Hawaii

APR 04 2025

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

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

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 732, H.D. 2, S.D. 1, entitled:

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

begs 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 requires that amount to be adjusted 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 received testimony in opposition to this measure from the Hawai'i Reef and Ocean Coalition; CountryTalkStory; Conservation Council for Hawai'i; Sierra Club of Hawai'i; Free Access Coalition; We Are One, Inc.; Surfrider Foundation Hawai'i Region; Kupuna for the Mo'opuna; Earthjustice; Hawaii's Thousand Friends; and forty-eight individuals.

Your Committee finds that existing law requires the agency issuing a special management area (SMA) minor permit to make a finding that the proposal has no substantial adverse environmental or ecological effects. Each agency performs a thorough review of SMA minor projects based on the review criteria, policies, and guidelines listed in chapter 205A, Hawaii Revised Statutes. If the agency finds that a project may have substantial adverse environmental, ecological, or cumulative effects, the SMA minor permit is denied and the project may proceed by applying for an SMA major permit, which is a lengthier and more involved process that requires action by the respective county council. This measure will streamline the SMA permitting process by allowing more projects to be processed as minor permits without sacrificing environmental review.

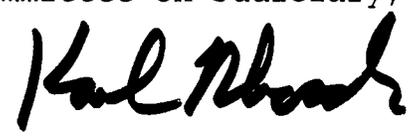
Your Committee has amended this measure by:

- (1) Deleting language that would have allowed 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) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 732, H.D. 2, S.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, S.D. 2.



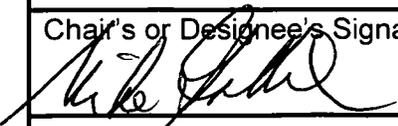
Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

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|--|---------------------|----------|-----|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 732 HD2, SD1 | WR/HOU, JDC | 4/3/25 | | |
| <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 |
| RHOADS, Karl (C) | ✓ | | | |
| GABBARD, Mike (VC) | ✓ | | | |
| CHANG, Stanley | ✓ | | | |
| SAN BUENAVENTURA, Joy A. | ✓ | | | |
| AWA, Brenton | | | ✓ | |
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| TOTAL | 4 | — | 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 | | | | |

*Only one measure per Record of Votes