SECTION 1.

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### A BILL FOR AN ACT

The legislature finds that shorelines are one

RELATING TO SPECIAL SHORELINE ENCROACHMENT EASEMENTS.

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

2 of our planet's most dynamic physical features and Hawaii's shorelines are no exception. Communities along our shores have 3 flourished for centuries in harmony with the ebb and flow of the 4 tides. However, rapid warming of the atmosphere and oceans, 5 caused by two centuries of unabated carbon emissions, is causing 6 unprecedented increased rates of sea level rise that threaten 7 natural environments and the development in low lying areas. 8 In December 2017, the Hawaii climate change mitigation and 9 adaptation commission accepted the Sea Level Rise Vulnerability 10 and Adaptation Report (SLR report), which was mandated by the 11 legislature during the regular session of 2017. The SLR report 12 found that with 3.2 feet of sea level rise by the mid to later 13 part of the twenty-first century, six thousand five hundred 14

structures would be lost across the State, twenty thousand

residents would be displaced, and over \$19,000,000,000 in

damages would be incurred on property and structures.

The SLR

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## H.B. NO. 2653

act upon this threat and develop adaption measures to ameliorate 2 the social, economic, and environmental impacts of sea level 3 4 rise. The legislature further finds that as noted in a recent 5 attorney general opinion, the State owns all lands makai of the 6 shoreline. As a result, any structures located seaward of the 7 shoreline location are encroachments upon public land. When an 8 encroachment is discovered, it may be resolved by either removal 9 or obtaining an easement from the department of land and natural 10 resources. Generally, an easement must be obtained from the 11 department of land and natural resources for a structure within 12 the shoreline area even if the structure was located within the 13 recorded boundary of the landward property at the time of 14 construction. Pursuant to sections 171-13 and 171-17(b), Hawaii 15 Revised Statutes, easements granted by the board of land and 16 natural resources under these circumstances require compensation 17 at fair market value. 18 The purpose of this Act is to support a managed and orderly 19 shoreline retreat strategy by authorizing the board of land and 20 natural resources to provide qualified coastal landowners, who 21

report further found that the State and counties will need to

- 1 have privately owned structures situated on previously private
- 2 land that has become submerged public land due to erosion and
- 3 sea level rise, with short duration term easements at values
- 4 determined by the board to enable these landowners to consider
- 5 alternatives to ultimately relocate these private structures
- 6 landward of the sea level rise exposure area.
- 7 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
- 8 amended by adding a new section to be appropriately designated
- 9 and to read as follows:
- 10 "§171- Special shoreline encroachment easements. (a)
- 11 The board may grant a special shoreline encroachment easement to
- 12 a qualified landowner for a value determined by the board
- 13 notwithstanding section 171-17 to enable these landowners to
- 14 relocate a special shoreline encroachment landward of the sea
- 15 level rise exposure area; provided that the granting of this
- 16 easement shall not be construed as state ownership of the
- 17 special shoreline encroachment.
- 18 (b) A special shoreline encroachment easement shall be
- 19 valid for a term not to exceed ten years. The board may extend
- 20 the easement for additional terms not to exceed ten years;

| 1  | provided that the aggregate initial term and any extensions      |
|----|--|
| 2  | granted by the board shall not exceed thirty-five years.         |
| 3  | (c) Special shoreline encroachment easements granted by          |
| 4  | the board in accordance with this section shall not require      |
| 5  | prior approval of the governor and prior authorization of the    |
| 6  | legislature by concurrent resolution pursuant to section 171-53. |
| 7  | (d) Special shoreline encroachment easements granted by          |
| 8  | the board in accordance with this section shall take into        |
| 9  | account:   |
| 10 | (1) The public policies of protection and preservation of        |
| 11 | the natural shoreline, the beach processes and public            |
| 12 | pedestrian access along the shoreline, and the long-             |
| 13 | term risks to life and property from coastal hazards;            |
| 14 | <u>and</u>   |
| 15 | (2) The objectives and policies of the coastal zone              |
| 16 | management program under section 205A-2.                         |
| 17 | (e) For purposes of this section:                                |
| 18 | "Qualified landowner" means a landowner of a coastal             |
| 19 | property with structures that were legally constructed           |
| 20 | originally landward of the shoreline and within the recorded     |

| 1  | boundary of the oceanfront property, but are now located seaward   |  |  |
|----|--|--|--|
| 2  | of the shoreline.  |  |  |
| 3  | "Special shoreline encroachment" means a structure that was        |  |  |
| 4  | legally constructed and located landward of the shoreline, as      |  |  |
| 5  | defined under chapter 205A, within the recorded boundary of the    |  |  |
| 6  | property at the time of construction, but is now located seaward   |  |  |
| 7  | of the shoreline on public land."                                  |  |  |
| 8  | SECTION 3. Section 171-53, Hawaii Revised Statutes, is             |  |  |
| 9  | amended by amending subsection (c) to read as follows:             |  |  |
| 10 | "(c) The board, with the prior approval of the governor            |  |  |
| 11 | and the prior authorization of the legislature by concurrent       |  |  |
| 12 | resolution, may lease state submerged lands and lands beneath      |  |  |
| 13 | tidal waters under the terms, conditions, and restrictions         |  |  |
| 14 | provided in this chapter; provided that $[\frac{\text{the}}{2}]$ : |  |  |
| 15 | (1) The authorization of the legislature shall not be              |  |  |
| 16 | required for leases issued under chapter 190D; [and                |  |  |
| 17 | provided further that the]   |  |  |
| 18 | (2) The approval of the governor and authorization of the          |  |  |
| 19 | legislature shall not be required for any grant of                 |  |  |
| 20 | easement or lease of state submerged lands or lands                |  |  |
| 21 | beneath tidal waters used for moorings, cables, [ <del>or</del> ]  |  |  |

| 1  |   | pipelines[; provided further that this], or any        |  |
|----|---|--|--|
| 2  |   | special shoreline encroachment easement granted        |  |
| 3  |   | pursuant to section 171- ; and                         |  |
| 4  | (3)   | This exemption shall not apply to easements for cables |  |
| 5  |   | used for interisland electrical transmission or slurry |  |
| 6  |   | pipelines used for transportive materials, mined at    |  |
| 7  |   | sea, or waste products from the processing of the      |  |
| 8  |   | same.  |  |
| 9  | The :   | lease shall provide that the lands shall be reclaimed  |  |
| 10 | at the exp  | pense of the lessee. Title to the reclaimed lands      |  |
| 11 | shall remain in the State."                               |  |  |
| 12 | SECTION 4. Statutory material to be repealed is bracketed |  |  |
| 13 | and stricken. New statutory material is underscored.      |  |  |
| 14 | SECTION 5. This Act, upon its approval, shall take effect |  |  |
| 15 | retroactive to July 1, 2012.                              |  |  |
| 16 |   |  |  |
|    |   | INTRODUCED BY:   |  |

JAN 2 4 2018

#### Report Title:

Public Land; Shoreline Encroachments; Easements; Board of Land and Natural Resources

### Description:

Authorizes the board of land and natural resources to provide qualified coastal landowners, who have privately owned structures situated on previously private land that has become submerged public land due to erosion and sea level rise, with short duration term easements at values determined by the board to enable these landowners to consider alternatives to ultimately relocate these private structures landward of the sea level rise exposure area. Applies retroactively to 07/01/2012.

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