

Honolulu, Hawaii

FEB 17 2022RE: S.B. No. 2725
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committees on Water and Land and Government Operations,
to which was referred S.B. No. 2725 entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL IMPROVEMENT
DISTRICTS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the purpose and rationale for which counties may create special improvement districts to include environmental research, restoration, and maintenance; natural resource management; and natural hazard mitigation to improve environmental conditions; and
- (2) Provide community benefits.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; University of Hawai'i Sea Grant College Program, Climate Resiliency Initiative; and Waikiki Beach Special Improvement District Association. Your Committees received comments from the Hawai'i Emergency Management Agency.

Your Committees find that Act 107, Session Laws of Hawaii 1999 (Act 107), authorized the counties to create special improvement districts for the purpose of restoring or promoting



business activity. Since the enactment of Act 107, the needs and demands in these districts have broadened to include the management or mitigation of environmental and other conditions that impact natural resources. As Hawaii is exposed to a variety of threats that impact its environment and ecosystems, including coastal hazards and effects of climate change, such as the increase in the frequency and severity of storms and drought, sea-level rise, groundwater inundation, and coastal erosion, there is concern to the State due to its island topography and substantial coastal exposure.

Your Committees have also heard the concerns from the Department of Land and Natural Resources regarding climate change and hazard mitigation. As climate change and sea-level rise impacts may impact communities, enabling communities to utilize special improvement districts for improving resilience and environmental conditions may mitigate some potential effects. The Department of Land and Natural Resources continues to address impacts related to coastal erosion and beach loss in Hawaii through beach restoration and management projects, making the Department a key resource to the State's development of creative and community-engaged projects and policies to support restoration and adaption projects.

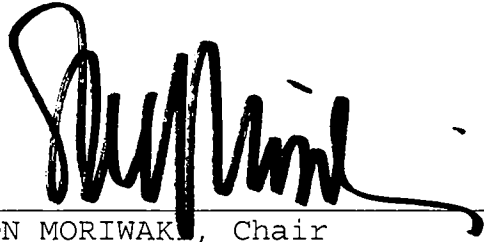
Therefore, your Committees have amended this measure by:

- (1) Including climate change and hazard mitigation among eligible purposes for the creation of special improvement districts; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

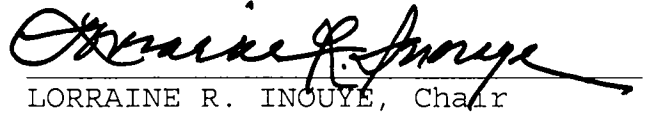
As affirmed by the records of votes of the members of your Committees on Water and Land and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2725, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2725, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.



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



SHARON MORIWAKI, Chair



LORRAINE R. INOUE, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* SB2725	Committee Referral: WTL/GVO, JDC/WAM	Date: 2/14/22		
<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
INOUYE, Lorraine R. (C)	✓			
KEITH-AGARAN, Gilbert S.C. (VC)				✓
MISALUCHA, Bennette E.	✓			
RIVIERE, Gil	✓			
FEVELLA, Kurt				✓
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Bennette E. Misalucha</i></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-First Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB 2725	Committee Referral: WTL/GVO, JDC/WAM	Date: 02/14/22		
<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
MORIWAKI, Sharon Y. (C)	X			
DELA CRUZ, Donovan M. (VC)	X			
CHANG, Stanley	X			
GABBARD, Mike				X
FEVELLA, Kurt				X
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
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