
A BILL FOR AN ACT

RELATING TO THE CONVEYANCE TAX.

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

1 SECTION 1. The legislature finds that dense shoreline
2 development, widespread shoreline armoring, and the landward
3 migration of the shoreline due to sea level rise have together
4 accelerated chronic beach loss, undermined public recreation and
5 cultural practices, and increased the exposure of coastal
6 communities and public facilities to flooding and other coastal
7 hazards.

8 The legislature further finds that these impacts are
9 acutely important for public shoreline access along beaches
10 adjoining county beach parks, where shoreline armoring,
11 nonconforming structures, and other private improvements can
12 narrow or eliminate the sandy beach fronting public parks and
13 impede public access, recreation, and traditional and customary
14 practices.

15 The legislature finds that existing fiscal policy and
16 regulatory tools are insufficient to address situations in which
17 private shoreline properties, through armoring, placement of



1 structures, or other actions, effectively sacrifice beaches and
2 frustrate the State's coastal zone management objectives and
3 public trust responsibilities.

4 The legislature further finds that the State currently
5 lacks adequate dedicated funding to plan, implement, and
6 maintain beach restoration and related coastal resilience
7 projects at the scale necessary to address ongoing and projected
8 beach loss and associated impacts to public trust resources,
9 public access, and coastal communities.

10 The purpose of this Act is to direct conveyance tax
11 revenues to support beach restoration, dune and coastal habitat
12 enhancement, and other eligible beach and shoreline management
13 projects that advance the State's coastal zone management
14 objectives and public trust responsibilities.

15 SECTION 2. Section 171-156, Hawaii Revised Statutes, is
16 amended to read as follows:

17 **"[f]S171-156[] Beach restoration special fund. (a)**
18 There is established in the state treasury a special fund to be
19 designated as the "beach restoration special fund" to carry out
20 the purposes of this part. The following moneys shall be
21 deposited into the beach restoration special fund:



- 1 (1) Proceeds from the lease or development of public
2 coastal lands designated pursuant to a beach
3 restoration plan, subject to the Hawaiian Homes
4 Commission Act of 1920, as amended, and section 5(f)
5 of the Admission Act of 1959;
- 6 (2) Proceeds from the lease of public lands pursuant to
7 this part for an existing seawall or revetment;
- 8 (3) Fines collected for unauthorized shoreline structures
9 on state submerged land or conservation district land;
- 10 (4) Appropriations made by the legislature for deposit
11 into this fund;
- 12 (5) Donations and contributions made by private
13 individuals or organizations for deposit into this
14 fund;
- 15 (6) Fees collected for the processing of applications for
16 coastal and beach erosion control projects; ~~and~~
- 17 (7) Grants provided by governmental agencies or any other
18 source~~;~~ and
- 19 (8) Conveyance tax collected pursuant to section 247-7
20 with respect to any transfer or conveyance of real
21 property, or any interest therein, that is located in



1 whole or in part within the sea level rise exposure
2 area designated by the Hawaii climate mitigation and
3 adaptation commission or its successor.

4 (b) The beach restoration special fund may be used by the
5 department for one or more of the following purposes:

6 (1) Planning, designing, development, or implementation of
7 beach restoration projects pursuant to this part;

8 [and]

9 (2) Providing grants to the counties, nongovernmental
10 organizations, and the University of Hawaii for the
11 restoration of beach lands and for research or
12 engineering studies necessary to support beach
13 restoration projects, subject to this part[.]; and

14 (3) Acquiring property."

15 SECTION 3. Section 247-7, Hawaii Revised Statutes, is
16 amended to read as follows:

17 **"§247-7 Disposition of taxes.** All taxes collected under
18 this chapter shall be paid into the state treasury to the credit
19 of the general fund of the State, to be used and expended for
20 the purposes for which the general fund was created and exists
21 by law; provided that of the taxes collected each fiscal year:



1 (1) Ten per cent or \$5,100,000, whichever is less, shall
2 be paid into the land conservation fund established
3 pursuant to section 173A-5; [and]
4 (2) Fifty per cent or \$38,000,000, whichever is less,
5 shall be paid into the rental housing revolving fund
6 established by section 201H-202[.]; and
7 (3) All revenues derived from any transfer or conveyance
8 of real property, or any interest therein, that is
9 located in whole or in part within the sea level rise
10 exposure area, as designated by the Hawaii climate
11 change mitigation and adaptation commission or its
12 successor, shall be paid into the beach restoration
13 special fund established by section 171-156."

14 SECTION 4. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect upon its approval.

17

INTRODUCED BY: 



S.B. NO. 3031

Report Title:

Natural Resource Protection; Coastal Zone Management; Conveyance Tax; Beach Restoration Special Fund; Property Acquisition

Description:

Requires that all conveyance tax revenues collected from the conveyance or transfer of real property located in whole or in part in a sea level rise exposure area be deposited into the Beach Restoration Special Fund. Allows funds in the Beach Restoration Special Fund to be used to acquire property.

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