



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Higher Education
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By

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And

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SB 3063 – RELATING TO AN ECONOMIC ANALYSIS OF BEACHES ON THE NORTH SHORE OF OAHU

Chair Kahele, Vice Chair Kim, and members of the committee:

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) supports the intent of Senate Bill 3063 provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents approved executive biennium budget. This legislation appropriates research funds to Hawai'i Sea Grant to conduct an economic analysis of North Shore beaches for the area of the North Shore of O'ahu that stretches from the Kawailoa to Waiale'e ahupua'a in order to estimate the economic value of North Shore beaches.

Hawai'i's beaches have become increasingly threatened by coastal erosion. According to the United States Geological Service (USGS) National Assessment of Shoreline Change for the Hawaiian Islands, 70% of Hawai'i's beaches are eroding and 13 miles of beach have been lost over the last century. Beach erosion effects shoreline access, recreation and cultural activities, coastal environments, and our economy. Beaches are the backbone of Hawai'i's \$15 Billion tourism industry and are central to Hawai'i's unique culture and lifestyle. With sea-level rise and chronic coastal erosion, the state is challenged to find effective and efficient ways to preserve and maintain our naturally occurring sand beaches. We believe the proposed legislation will help support the long-term preservation and protection of our coastal resources.

North Shore beaches are at increasing risk of deterioration from intensive shorefront development and chronically retreating beaches and rising water levels with climate change and sea level rise. The North Shore is host to championship surfing contests throughout the winter season, bringing millions of dollars into the local economy. It is also an invaluable public and cultural resource for residents from all over O'ahu.

While the beaches of the North Shore of O'ahu are highly regarded, the true economic value of North Shore beaches is currently unquantified and therefore, likely undervalued. Moreover, having quantitative economic and natural resource value estimates of North Shore beaches will assist local decision-makers regarding critical issues, such as coastal land use, shoreline management, and applications for armoring of the shoreline for private development. Other applications of natural resource valuation estimates include assessing long-range planning options including managed retreat.

Managed retreat strategies, are among some of the most effective long-term coastal policy tools. Managed retreat can employ a range of tools including, but not limited to, purchase of conservation easements, assistance with relocation of current property owners, and other means for allowing the coastline to migrate inland over time. These are the best alternative for preserving North Shore beaches as a public trust resource in the long-term. A managed retreat strategy needs to also take into account the total value of the public resource including the beaches, and natural coastal resources. A natural resource valuation model would provide an economic basis for evaluating innovative new coastal management and land use policies.

Hawai'i Sea Grant supports SB 3063 in the effort to establish an economic justification for beach management and conservation and to support the develop of new innovative coastal management policies that may include managed retreat. Hawai'i Sea Grant has the demonstrated capacity and experience to successfully carry out this research having just completed a similar economic study for Waikīkī Beach that values the beach at \$2 Billion per year. Thank you for the opportunity to testify on this measure.