

DAVID Y. IGE
GOVERNOR OF
HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committees on
JUDICIARY
and
COMMERCE, CONSUMER PROTECTION, AND HEALTH**

**Friday, February 21, 2020
10:30am
State Capitol, Conference Room 229**

**In consideration of
SENATE BILL 2670, SENATE DRAFT 1
RELATING TO REAL PROPERTY TRANSACTIONS**

Senate Bill 2670, Senate Draft 1 proposes to require a property purchase statement to be executed by the purchaser or transferee to include identification of vulnerable coastal property lying within a sea level rise exposure area designated by the Hawaii Climate Change Mitigation and Adaptation Commission. **The Department of Land and Natural Resources (Department) support this measure.**

It is the mission of the Department to manage public lands and ocean resources, including beaches throughout the State. The Department is very much at the forefront of addressing impacts related to coastal erosion and beach loss in Hawaii. Beaches are central to our culture and economy, yet our beaches are being lost at alarming rates due natural processes and human impacts, threatening alongshore public access and upland development. The Department feels strongly that some of these issues can be managed more effectively if property transactions require mandatory disclosure of coastal hazards within areas susceptible to coastal hazards.

In addition, many properties not directly located on the coastline are as vulnerable to sea level rise impacts as their coastal shorefront neighbors because of passive flooding, king tides, or wave inundation. Mandatory real estate disclosure would at least inform and educate prospective buyers of risk.

The Department believes that it is critical that buyers understand the hazards and risks they are assuming in purchasing oceanfront property, in the spirit of transparency and disclosure and to support informed decision making by buyers and government agencies.

Thank you for the opportunity to comment on this measure.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
Anukriti Hittle
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission**

**Before the Senate Committees on
COMMERCE, CONSUMER PROTECTION & HEALTH**

**Friday, February 21, 2020
10:30 AM
State Capitol, Conference Room 229**

**In support of
SENATE BILL 2670, SENATE DRAFT 1
RELATING TO REAL PROPERTY TRANSACTIONS**

Senate Bill 2670, Senate Draft 1 proposes to require property purchase statement to be executed by the purchaser or transferee to include identification of vulnerable coastal property lying within a sea level rise exposure area designated by the Hawaii Climate Change Mitigation and Adaptation Commission. **On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I support this measure.**

The Hawaii Climate Change Mitigation and Adaptation Commission “recognizes the urgency of climate threats and the need to act quickly. It promotes ambitious, climate-neutral, culturally responsible strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient.” The Commission, established by Act 32 SLH 2017 to uphold the United States’ pledges under the Paris Agreement, is the coordinating body for policies on climate change mitigation and adaptation for the state. It is a high-level multi-jurisdictional body that guides the priorities of the state’s climate response. Co-chaired by DLNR and Office of Planning, it consists of 20 members—chairs of four legislative committees, and executive department heads at the county and state levels.

In December 2017, the Commission accepted the *Hawaii Sea Level Rise Report* and accompanying *Hawaii Sea Level Rise Viewer*. The Report and Viewer provide maps of a Sea Level Rise Exposure Area (SLR-XA) incorporating models of passive flooding, shoreline erosion, and annual high wave run-up with 3.2 feet of sea level rise. These map layers are available for download in a variety of formats from the Viewer as well as the Hawaii Statewide GIS Program website.

Recent science summarized in the Report and Viewer points to a likelihood of three feet or more of sea level rise in the second half of this century - within the expected lifespan of most

Co-Chairs:
Chair, DLNR
Director, Office of Planning

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WTH
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM

existing and new development. It is critical that sea level rise vulnerabilities are disclosed with the sale of a vulnerable coastal property to support informed decision making by buyers and government agencies.

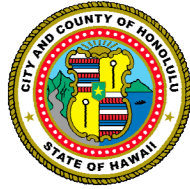
At its September 2018 meeting, the Climate Commission agreed to five priority recommendations for countering impacts of sea level rise, **including supporting legislation for disclosure for private property and public offerings in areas with potential exposure to sea level rise.** This measure acts on this priority recommendation, and is a crucial component of Hawaii's adaptation to sea level rise impacts on coastal property.

Thank you for the opportunity to testify on this measure.

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 9TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org



KIRK CALDWELL
MAYOR

JOSHUA W. STANBRO
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER

FRIDAY, FEBRUARY 21, 2020 10:30 AM

STATE OF HAWAII
SENATE COMMITTEE ON JUDICIARY
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

**TESTIMONY ON SENATE BILL 2670 SD1
RELATING TO REAL PROPERTY TRANSACTIONS**

BY,

JOSHUA STANBRO
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Rhoads, Chair Baker, and Members of the Committees:

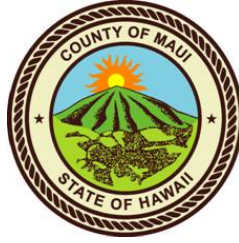
The City and County of Honolulu Office of Climate Change, Sustainability and Resiliency (Resilience Office) **supports** SB2670 SD1, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate.

In December 2017, per Act 83 Session Laws of Hawaii'i (SLH) 2014 and Act 32 SLH 2017, the Hawaii'i Climate Change Mitigation and Adaptation Commission adopted the *Hawaii'i Sea Level Rise Vulnerability and Adaptation Report*. This work produced the statewide sea level rise exposure area (SLR-XA) and was made publicly available on-line at www.hawaiisealevelriseviewer.org. The proposed bill defines "vulnerable coastal property" as "real property within a sea level rise exposure area as officially designated by the Hawaii climate change mitigation and adaptation commission."

The Resilience Office supports the education and extension of this critical information, and the items additionally proposed in the bill.

Thank you for the opportunity to testify in support of this measure.

MICHAEL P. VICTORINO
Mayor



KAY FUKUMOTO
Economic Development Director

LATE

COUNTY OF MAUI
OFFICE OF ECONOMIC DEVELOPMENT
2200 Main Street, Suite 305
WAILUKU, MAUI, HAWAII 96793

FRIDAY, FEBRUARY 2, 2020 10:30 AM

STATE OF HAWAII
SENATE COMMITTEE ON JUDICIARY
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH
and SENATE COMMITTEE ON JUDICIARY

**TESTIMONY ON SENATE BILL 2670 SD1
RELATING TO REAL PROPERTY TRANSACTIONS**

BY: CHANA MAKALE'A DUDOIT ANE
ENVIRONMENTAL COODINATOR, OFFICE OF ECONOMIC DEVELOPMENT

Dear Chair Rhoads, Chair Baker, and Members of the Committees:

The County of Maui Office of Economic Development **supports** SB2670 SD1, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate.

In December 2017, per Act 83 Session Laws of Hawai'i (SLH) 2014 and Act 32 SLH 2017, the Hawai'i Climate Change Mitigation and Adaptation Commission adopted the Hawai'i Sea Level Rise Vulnerability and Adaptation Report. This work produced the statewide sea level rise exposure area (SLR-XA) and was made publicly available on-line at www.hawaiisealevelriseviewer.org. The proposed bill defines "vulnerable coastal property" as "real property within a sea level rise exposure area as officially designated by the Hawaii climate change mitigation and adaptation commission."

The County of Maui supports the education and extension of this critical information, and the items additionally proposed in the bill.

Mahalo for the opportunity to testify in support of this measure.



SIERRA CLUB OF HAWAI'I

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

SENATE COMMITTEE ON JUDICIARY

February 21, 2020 10:30 AM Room 229

In **SUPPORT** of **SB2670 SD1**: Relating to Real Property Transactions

Aloha Chairs Baker and Rhoads, Vice Chairs Chang and Keohokalole, and members of the committees,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **strongly supports SB2670 SD1** Relating to Real Property Transactions.

Sea level rise is already occurring and affecting coastal properties, such as those in Hau'ula on O'ahu. As Section 1 of the bill details, shorelines will migrate inland over time as the sea level rise continues to rise. Revision of Chapter 508-D requiring mandatory disclosure of material facts affecting property values is urgently needed, including provisions to require disclosures by purchasers as well as sellers of vulnerable coastal properties. SB2670 provides the amendments required to do so.

The State of Hawaii's Climate Mitigation and Adaptation Commission has identified support for legislation requiring disclosure for private property and public offerings located in areas with potential exposure to sea level rise as a high priority for the 2020 legislative session. Senate Bills SB2670 and SB2671 require such disclosures.

Although purchasers may be aware the properties they purchased were within the sea level rise exposure area, they may not fully appreciate the ramifications of that fact which may emerge some time in the future. Purchasers may erroneously assume that governmental agencies will intervene to protect their properties or allow them to take protective actions discouraged or prohibited by state policies. SB2670 requires the filing of vulnerable coastal property statements with the Bureau of Conveyances whereby purchasers of properties in the sea level exposure area acknowledge in writing their awareness of the risks to those properties and the limitations which may affect the values of such properties.

Thank you very much for this opportunity to provide testimony in **support of SB2670 SD1**.

Mahalo,

A handwritten signature in black ink, appearing to read "Dave Raney". The signature is fluid and cursive, with the first name "Dave" and last name "Raney" clearly distinguishable.

Dave Raney

Co-Chair Sierra Club Climate Adaptation and Restoration Team

February 21, 2020

The Honorable Rosalyn H. Baker, Chair

Senate Committee on Commerce, Consumer Protection & Health

The Honorable Karl Rhoads, Chair

Senate Committee on Judiciary

State Capitol, Room 229

Honolulu, HI 96813

RE: S.B. 2670, SD1, Relating to Real Property Transactions

HEARING: Friday, February 21, 2020, at 10:30 a.m.

Aloha Chair Baker, Chair Rhoads and Members of the Joint Committees,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** S.B. 2670, SD1, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate.

Under Hawai'i Revised Statutes §508-D, the law imposes a broad obligation upon sellers of residential property to disclose all material facts that are within the knowledge or control of the seller. However, this measure places an unreasonable burden upon sellers because the typical seller does not have the capacity or ability to know whether their property has been designated a, “vulnerable coastal property” as officially designated by the Hawai'i Climate Mitigation and Adaptation Commission or its successor. HAR would also note that the Commission is not a government entity and the maps should first be created by a governmental entity.

Additionally, this measure requires a notarized statement and recordation of the Statement at the Bureau of Conveyances. This will add to the administrative burden upon the parties in a real estate transaction, Escrow and the Bureau of Conveyances.

HAR has also created an Oceanfront Property Addendum which discloses pertinent information specific to the ownership of oceanfront property. It is HAR's industry practice to create forms that exceed what is called for via laws, rules and regulation. As such, this measure seems unnecessary.

Mahalo for the opportunity to testify.



Pono Hawai'i Initiative

Josh Frost - President • Patrick Shea - Treasurer • Kristin Hamada
Nelson Ho • Summer Starr

Thursday, February 20, 2020

Relating to Real Property Transactions
Testifying in Support with amendments

Aloha Chair and members of the committee,

The Pono Hawai'i Initiative (PHI) **supports with amendments SB2670 Relating to Real Property Transactions**, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal property.

This measure will help to create better transparency around the purchase of these vulnerable properties so that buyers truly know the risks and potential limitations they might face.

For all these reasons, we urge you to vote in favor and amend this measure with a clean effective date.

Mahalo for the opportunity,
Gary Hooser
Executive Director
Pono Hawai'i Initiative



LATE

49 South Hotel Street, Room 314 | Honolulu, HI 96813
www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

**COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH
COMMITTEE ON JUDICIARY**

Friday, February 21, 2020, 10:30 a.m., Conference Rooms 228 and 229

SB2670 SD1 -- Relating to Real Property Transactions

SB2671 SD1 – Relating to Real Property Transactions

TESTIMONY

Nancy Davlantes, Legislative Committee, League of Women Voters of Hawaii

Chairs Baker and Rhoads, Vice-Chairs Chang and Keohokalole, and Committee Members:

The League of Women Voters of Hawaii supports both HB2670 SD1, that requires a vulnerable coastal *property purchaser* statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate, and HB2671 SD1, that requires that *mandatory seller disclosures* in real estate transactions include identification of residential real properties lying within the sea level rise exposure area.

Disclosure for private property and public offerings in areas with potential exposure to sea level rise must be on both sides of a transaction; both are crucial components of Hawaii's adaptation response to the effects of sea level rise and are two sides of the same coin.

What isn't known at this time, but will assuredly need to be addressed in the future, is what to do if and when such properties can no longer even be considered for transfer.

Thank you for the opportunity to submit testimony on both these bills.

SB-2670-SD-1

Submitted on: 2/15/2020 1:36:13 PM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
janice palma-glennie	Individual	Support	No

Comments:

aloha and mahalo for supporting this bill that will help awareness and protection of property owners re climate change.

janice palma-glennie

kailua-kona

SB-2670-SD-1

Submitted on: 2/18/2020 7:23:26 AM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Gelert	Individual	Support	No

Comments:

SB-2670-SD-1

Submitted on: 2/18/2020 9:52:01 AM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Denise Boisvert	Individual	Support	No

Comments:

I fully support SB2670 regarding full disclosure about sea level rise for buyers.

SB-2670-SD-1

Submitted on: 2/18/2020 10:23:19 AM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kim Jorgensen	Individual	Support	No

Comments:

I support SB2670; full disclosure = honesty.

SB-2670-SD-1

Submitted on: 2/19/2020 11:54:32 AM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
jennifer valentine	Individual	Support	No

Comments:

I support SB2670. Sea level rise disclosure is a common sense solution to help address the \$19 billion that Hawai'i faces in estimated private property loss due to sea level rise and ensures that buyers understand the risks of purchasing a home in vulnerable areas. This bill is also an important first step towards managed retreat, which is a long-term solution to strategically move away from the coastline to adapt to sea level rise and other coastal impacts. Please support SB2670 and SB2671.

SB-2670-SD-1

Submitted on: 2/19/2020 1:29:21 PM

Testimony for JDC on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica dos Santos	Individual	Support	No

Comments: