

JAN 19 2018

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# A BILL FOR AN ACT

RELATING TO REAL PROPERTY TRANSACTIONS.

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

1       SECTION 1. As reflected in the findings of Act 32, Session  
2 Laws of Hawaii 2017 (Act 32), the legislature recognizes that  
3 not only is climate change real, but it is also the overriding  
4 challenge of the twenty-first century and one of the priority  
5 issues of the senate. Climate change poses immediate and long-  
6 term threats to the State's economy, sustainability, security,  
7 and way of life.

8       Act 32 established the Hawaii climate change mitigation and  
9 adaptation commission and directed the commission to, as a first  
10 step, focus on and develop sea level rise vulnerability and  
11 adaptation reports that are required to include:

- 12       (1) Identification of the major areas of sea level rise  
13           impacts affecting the State and counties through 2050;  
14       (2) Identification of expected impacts of sea level rise  
15           based on the latest scientific research for each area  
16           through 2050;



1           (3) Identification of the economic ramifications of sea  
2           level rise;

3           (4) Identification of applicable federal laws, policies,  
4           or programs that impact affected areas; and

5           (5) Recommendations for planning, management, and  
6           adaptation for hazards associated with increasing sea  
7           level rise.

8           The sea level rise vulnerability and adaptation report  
9 approved by the commission identifies, with maps at tax map key  
10 detail, areas that are susceptible to sea level rise impacts  
11 based on a 3.2-foot increase in sea level projected to occur by  
12 mid-century or earlier. These areas are designated as the sea  
13 level rise exposure area projection, which the commission  
14 recommends be adopted as a sea level rise exposure area overlay  
15 to guide state and county adaptation strategies and standards  
16 for development. Furthermore, the commission report includes a  
17 recommendation to require mandatory disclosure for private  
18 properties and public offerings located in areas with potential  
19 exposure to sea level rise.

20           The legislature further finds that chapter 508D, Hawaii  
21 Revised Statutes, requires a written disclosure statement



1 prepared by the seller, or at the seller's direction, that  
2 purports to fully and accurately disclose all material facts  
3 relating to residential real property being offered for sale. A  
4 "material fact" is defined under section 508D-1, Hawaii Revised  
5 Statutes, in pertinent part, to mean "any fact, defect, or  
6 condition, past or present, that would be expected to measurably  
7 affect the value to a reasonable person of the residential real  
8 property being offered for sale." The value of property lying  
9 within the boundaries of a sea level rise exposure area likely  
10 will be affected over time, which is a material fact that should  
11 be included in mandatory seller disclosure statements in real  
12 property transactions.

13 The purpose of this Act is to require that mandatory seller  
14 disclosures in real property transactions include identification  
15 of residential real properties lying within a sea level rise  
16 exposure area.

17 SECTION 2. Section 508D-15, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:

19 "(a) When residential real property lies:

20 (1) Within the boundaries of a special flood hazard area  
21 as officially designated on Flood Insurance



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Administration maps promulgated by the United States Department of Housing and Urban Development for the purposes of determining eligibility for emergency flood insurance programs;

(2) Within the boundaries of the noise exposure area shown on maps prepared by the department of transportation in accordance with Federal Aviation Regulation Part 150-Airport Noise Compatibility Planning (14 Code of Federal Regulations Part 150) for any public airport;

(3) Within the boundaries of the Air Installation Compatibility Use Zone of any Air Force, Army, Navy, or Marine Corps airport as officially designated by military authorities; ~~[or]~~

(4) Within the anticipated inundation areas designated on the department of defense's emergency management tsunami inundation maps; or

(5) Within a sea level rise exposure area as officially designated by the Hawaii climate change mitigation and adaptation commission or its successor;

subject to the availability of maps that designate the four areas by tax map key (zone, section, parcel), the seller shall



1 include such material fact information in the disclosure  
 2 statement provided to the buyer subject to this chapter. Each  
 3 county shall provide, where available, maps of its jurisdiction  
 4 detailing the four designated areas specified in this  
 5 subsection. The maps shall identify the properties situated  
 6 within the four designated areas by tax map key number (zone,  
 7 section, parcel) and shall be of a size sufficient to provide  
 8 information necessary to serve the purposes of this section.  
 9 Each county shall provide legible copies of the maps and may  
 10 charge a reasonable copying fee."

11 SECTION 3. Statutory material to be repealed is bracketed  
 12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on November 1, 2018.  
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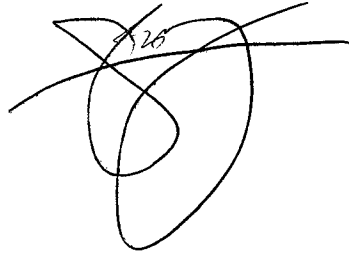
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S.B. NO. 2442



# S.B. NO. 2442

**Report Title:**

Real Estate Transactions; Mandatory Seller Disclosures; Sea Level Rise Exposure Area

**Description:**

Requires that mandatory seller disclosures in real estate transactions include identification of residential real properties lying within a sea level rise exposure area. Takes effect on 11/01/2018.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

