

JAN 19 2018

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

5 (2) Within the boundaries of the noise exposure area shown
6 on maps prepared by the department of transportation
7 in accordance with Federal Aviation Regulation Part
8 150-Airport Noise Compatibility Planning (14 Code of
9 Federal Regulations Part 150) for any public airport;

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

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

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

20 subject to the availability of maps that designate the four
21 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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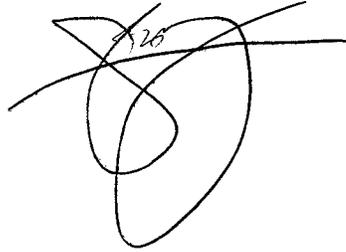
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Report Title:

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.

