STAND. COM. REP. NO. 386

Honolulu, Hawaii

FEB 2 8 2020 RE: S.B. No. 2671 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Judiciary and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2671, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY TRANSACTIONS,"

beg leave to report as follows:

The purpose and intent of this measure is to require that mandatory seller disclosures in real estate transactions include identification of residential real properties lying within the sea level rise exposure area as officially designated by the Hawaii Climate Change Mitigation and Adaptation Commission.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawaii Climate Change Mitigation and Adaptation Commission; Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; Office of Economic Development of the County of Maui; Sierra Club of Hawai'i; Pono Hawai'i Initiative; IMUAlliance; League of Women Voters; and five individuals. Your Committees received comments on this measure from the Hawai'i Association of REALTORS[®].

Your Committees find that oceanfront property is often vulnerable to hazards, such as coastal erosion and flooding from tsunamis, storms, and high waves. These hazards can be exacerbated by sea level rise. Your Committees also find that in



STAND. COM. REP. NO. 3186 Page 2

December 2017, the Hawaii Climate Change Mitigation and Adaptation Commission accepted the Hawaii Sea Level Rise Vulnerability and Adaptation Report (SLR Report). The first recommendation of the SLR Report is to recognize the SLR-XA (Sea Level Rise Exposure Area) as a statewide vulnerability zone. The SLR-XA demonstrates the extent of the potential exposure of land and structures to flooding and erosion with an increase of 0.5, 1.1, 2.0, and 3.2 feet of sea level rise throughout the State. Your Committees believe that sea level rise is a concern for all real property owners, not only oceanfront property owners. This measure requires seller disclosures in real estate transactions in such areas to enable property purchasers and transferees to better understand the special hazards, permitting requirements, and limitations that may affect the property.

Your Committees have amended this measure by making it effective on November 1, 2020.

As affirmed by the records of votes of the members of your Committees on Judiciary and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2671, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2671, S.D. 2.

> Respectfully submitted on behalf of the members of the Committees on Judiciary and Commerce, Consumer Protection, and Health,

ROSALYN 😉. BAKER, Chair

KARL RHOADS, Chair



The Senate Thirtieth Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral: Date:							
SB 2671 SD1	WTL, JDC/CPH 2/21/2020							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
RHOADS, Karl (C)								
KEOHOKALOLE, Jarrett (VC)								
GABBARD, Mike								
KIM, Donna Mercado								
FEVELLA, Kurt								
TOTAL		3			2			
Recommendation:								
Adopted			Not Adopted					
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only <u>one</u> measure per Record of Votes

The Senate Thirtieth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral: Date:				/				
5B 2671 5D1	WTL, JDC/CPH 2/21/20								
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
BAKER, Rosalyn H. (C)		×							
CHANG, Stanley (VC)					X				
NISHIHARA, Clarence K.		X							
RUDERMAN, Russell E.					X				
THIELEN, Laura H.					X				
WAKAI, Glenn		\checkmark							
FEVELLA, Kurt	-	×							
		·							
·······									
TOTAL		4			3				
Recommendation:									
Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

*Only <u>one</u> measure per Record of Votes