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

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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 Committee on WATER AND LAND

Monday, February 3, 2020 1:15pm State Capitol, Conference Room 229

In consideration of SENATE BILL 2671 RELATING TO REAL PROPERTY TRANSACTIONS

Senate Bill 2671 proposes to require that a seller of property to disclose and identify residential real property lying within a sea level rise exposure area officially 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.

Coastal properties are vulnerable to erosion (i.e., shoreline recession and land loss) and flooding from high waves, storms and tsunami. 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.



Co-Chairs: Chair, DLNR

Director, Office of Planning

Chair, Senate AEN Chair, Senate WTL Chair, House EEP Chair, House WTH Chairperson, HTA Chairperson, DOA CEO, OHA

Chairperson, DHHL Director, DBEDT

Director, C+C DPP

Director, Maui DP Director, Hawai'i DP Director, Kaua'i DP

The Adjutant General Manager, CZM

Director, DOT

Director, DOH Chairperson, DOE

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 Committee on WATER and LAND

Monday, February 3, 2020 1:15 PM State Capitol, Conference Room 229

In support of SENATE BILL 2671 RELATING TO REAL PROPERTY TRANSACTIONS

Senate Bill 2671 proposes to require that a seller of property to disclose and identify residential real property lying within a sea level rise exposure area officially designated by the Hawaii Climate Change Mitigation and Adaptation Commission. On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I offer the following comments in support of 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 which incorporate models of passive flooding, shoreline erosion, and annual high wave runup 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 **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.

As noted in the measure, 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**. SB2671 acts on this priority recommendation, and is a crucial component of Hawaii's adaptation response to sea level rise impacts.

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



SENATE COMMITTEE ON WATER AND LAND

February 3, 2020 1:15 PM Room 229

In SUPPORT of SB2671: Relating to Real Property Transactions

Aloha Chair Kahele, Vice Chair Keith-Agaran, and members of the committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **strongly supports SB2671** Relating to Real Property Transactions.

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.

Chapter 508D currently requires a written disclosure statement provided by the seller, or at the seller's direction, that purports to fully and accurately disclose all material facts relating to residential real property being offered for sale. This clearly must include disclosure of properties exposed to sea level rise and related threats. The burden of determining whether a given coastal property, especially parcels that are inland from the coast but still vulnerable to sea level exposure in the future, however, is currently left to the seller and the seller's real estate agent, with no clear standard to follow.

SB2671 provides a single, governmentally certified, source for determining whether or not a parcel is deemed to be vulnerable to the risks of sea level rise exposure, similar to the manner in which the statute specifies use of the federal flood insurance maps as the standard for disclosure of flood risks.

The bill requires each county to provide sea level rise exposure maps at the tax map key (zone, section, parcel) level of detail, making it possible to determine whether or not any given parcel requires a seller's disclosure statement, and relieving property owners and realtors of the burden of trying to make such determinations from a variety of possible sources of sea level rise projections.

As we understand the status of the required mapping, state and county agencies are currently engaged in cooperative efforts to develop the maps at the tax map key level, resolving any technical issues which may occur in the mapping of parcels in some unique geographic areas.

In conclusion, we strongly support passage of SB2671 and urge its passage.

Thank you very much for this opportunity to provide testimony in **support of SB2671**.

Mahalo,

Dave Raney

Une Joney

Co-Chair

Sierra Club Climate Adaptation and Restoration Team









February 4, 2020

The Honorable Kaiali'i Kahele, Chair Senate Committee on Water and Land State Capitol, Room 229 Honolulu, HI 96813

RE: S.B. 2671, Relating to Real Property Transactions

HEARING: Monday, February 3, 2020, at 1:15 p.m.

Aloha Chair Kahele, Vice Chair Keith-Agaran and Members of the Committee,

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 **provides comments** on S.B. 2671 which requires 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 Hawai'i Climate Change Mitigation and Adaptation Commission, subject to the availability of county maps designating the areas by tax map key.

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.

HAR would note that the county maps, including identifying the properties by tax map key, should be created first prior to changing the disclosure law. Without maps, it would place an unreasonable burden upon sellers because the typical seller would not have the capacity or ability to know whether their property is within a "sea level rise exposure area."

Additionally, the Hawaii Climate Change Mitigation and Adaptation Commission is not a government entity. Once the maps are created, the disclosure should be to the maps as provided by said government entity and not the Commission.

Mahalo for the opportunity to testify.



<u>SB-2671</u> Submitted on: 2/2/2020 9:06:24 PM

Testimony for WTL on 2/3/2020 1:15:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Alexandra Kahn	Testifying for Surfrider Oahu	Support	No



<u>SB-2671</u> Submitted on: 2/3/2020 11:35:32 AM

Testimony for WTL on 2/3/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Douglas	Individual	Support	No



<u>SB-2671</u> Submitted on: 2/3/2020 12:35:53 PM

Testimony for WTL on 2/3/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Best	Individual	Support	No



<u>SB-2671</u> Submitted on: 2/3/2020 12:48:30 PM

Testimony for WTL on 2/3/2020 1:15:00 PM



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