

STAND. COM. REP. NO.

255

Honolulu, Hawaii

FEB 16 2021

RE: S.B. No. 474
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 474 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to ensure that buyers of coastal property understand the hazards and risks they are assuming in purchasing oceanfront property. Specifically, this measure requires that sellers of residential real property disclose whether a residential real property lies within a sea level rise exposure area as officially designated by the Hawaii Climate Change Mitigation and Adaptation Commission or its successor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Climate Change Mitigation and Adaptation Commission, Hawai'i Reef Ocean Coalition, Hawai'i Association of REALTORS, Imua Alliance, Sierra Club of Hawai'i, Environmental Caucus of the Democratic Party of Hawai'i, Surfrider Foundation, and eleven individuals.

Your Committee finds that the value of property lying within the boundaries of a sea level rise exposure area will likely be affected over time, and is therefore a material fact that should be disclosed by the seller in a real property transaction in accordance with chapter 508D, Hawaii Revised Statutes, relating to



mandatory seller disclosures in real estate transactions. Your Committee further finds that the Hawai'i Association of REALTORS will need time to not only update the seller's real property disclosure statement and the oceanfront property addendum of their purchase contracts, but also to train their members to use the Hawaii sea level rise viewer, which is an interactive mapping tool that depicts projections for future hazard exposure and assesses economic and other vulnerabilities due to rising sea levels.

Accordingly, your Committee has amended this measure by inserting an effective date of May 1, 2022.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 474, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 474, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Water and Land,


LORRAINE R. INOUE, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

| | | |
|--|--|--------------------------|
| Bill / Resolution No.:* SB 474 | Committee Referral: WTL, CPN/JDC | Date: 2/3/2021 |
|--|--|--------------------------|

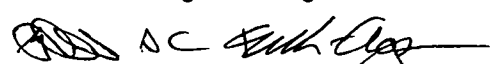
The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

| Members | Aye | Aye (WR) | Nay | Excused |
|---------------------------------|----------|----------|-----|---------|
| INOUE, Lorraine R. (C) | X | | | |
| KEITH-AGARAN, Gilbert S.C. (VC) | X | | | |
| MISALUCHA, Bennette E. | X | | | |
| RIVIERE, Gil | X | | | |
| FEVELLA, Kurt | X | | | |
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| TOTAL | 5 | | | |

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes