STAND. COM. REP. NO. 774

Honolulu, Hawaii

FEB 17 , 2021

RE: H.B. No. 554 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 554 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require sellers to include in the mandatory disclosure statements to buyers, information about the residential real property lying within the sea level rise exposure area as 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, Sierra Club of Hawaiii, Imua Alliance, Hawaiii Reef Ocean Coalition, and one individual. Your Committee received comments on this measure from the Hawaiii Association of REALTORS.

Your Committee finds that the matter of sea level rise is at the forefront of the impacts of climate change on properties and the environment. Your Committee finds that including the disclosure of sea level rise exposure information in sellers mandatory disclosure statements will make it part of the seller's legal obligation to reveal to the buyer any known defects about the home or property that is being purchased.

Your Committee has amended this measure by:

- (1) Changing the effective date to May 1, 2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that an effective date of May 1, 2022, for this measure will coincide with the Hawai'i Association of REALTORS release date of its Standard Forms, including the Seller's Real Property Disclosure Statement and Oceanfront Property Addendum.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 554, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 554, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

DAVID A. TARNAS, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature

HSCR 334

## Record of Votes of the Committee on Water & Land

Bill/Resolution No.: HB 554 Committee		e Referral: WAL, CPC		Date: 2/11/2021		
☐ The committee is reconsidering its previ						
	unamended (a	as is) Pass	, with amend	-		
WAL Members		Ayes	Ayes (W	R)	Nays	Excused
1. TARNAS, David A. (C)		4				
					<i>5</i>	
2. BRANCO, Patrick Pihana (VC)		70				
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3. GANADEN, Sonny						
4. KOBAYASHI, Bertrand		ð				
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5. KONG, Sam Satoru	i otoboli i si	8				
6. MORIKAWA, Dee	e er en ger ettegert Seinte in såk glage iggengelagskrifte	4	itti. E.,	econe monum du maca di	на шкивачейчие" з чиние чынзыкывыкы па	
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7. OHNO, Takashi						8
8. McDERMOTT, Bob		<u> </u>				-
TOTAL (8)		7				1
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