### A BILL FOR AN ACT

RELATING TO REAL PROPERTY DISCLOSURES WITHIN SHORELINE AREAS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. As reflected in Act 32, Session Laws of Hawaii
- 2 2017 (Act 32), the legislature recognizes that not only is
- 3 climate change real, but it is also the overriding challenge of
- 4 the twenty-first century and one of the priority issues of the
- 5 legislature. Climate change poses immediate and long-term
- 6 threats to the State's economy, sustainability, security, and
- 7 its residents' way of life.
- 8 The legislature recognized the existential threat of sea
- 9 level rise to real property and amended section 508D-15, Hawaii
- 10 Revised Statutes, to require mandatory seller disclosures in
- 11 real property transactions to include indication that a parcel
- 12 of residential real property lies within the sea level rise
- 13 exposure area. Research published by the Intergovernmental
- 14 Panel on Climate Change and the National Aeronautics and Space
- 15 Administration shows that sea levels in Hawaii will continue to
- 16 rise, but sea level rise has no detectable effect on valuations
- 17 or sales data on real property. The lack of a sea level rise

- 1 discount indicates that purchasers may be under-prepared for the
- 2 future challenges and implications of sea level rise and the
- 3 ancillary effects of coastal erosion, future flooding,
- 4 inundation, and storm surges.
- 5 The purpose of this Act is to further strengthen purchaser
- 6 protections by requiring disclosure of permitted and unpermitted
- 7 erosion control structures on parcels of land adjacent to the
- 8 shoreline prior to real estate transactions.
- 9 SECTION 2. Section 508D-15, Hawaii Revised Statutes, is
- 10 amended to read as follows:
- 11 "\$508D-15 Notification required; ambiguity. (a) When
- 12 residential real property lies:
- 13 (1) Within the boundaries of a special flood hazard area
- as officially designated on flood maps promulgated by
- 15 the National Flood Insurance Program of the Federal
- 16 Emergency Management Agency for the purposes of
- determining eligibility for emergency flood insurance
- 18 programs;
- 19 (2) Within the boundaries of the noise exposure area shown
- on maps prepared by the department of transportation
- in accordance with Federal Aviation Regulation part

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1		150, Airport Noise Compatibility Planning (14 C.F.R.
2		part 150), for any public airport;
3	(3)	Within the boundaries of the Air Installation
4		Compatible Use Zone of any Air Force, Army, Navy, or
5		Marine Corps airport as officially designated by
6		military authorities;
7	(4)	Within the anticipated inundation areas designated on
8		the department of defense's emergency management
9		tsunami inundation maps; or
10	(5)	Within the sea level rise exposure area as designated
11		by the Hawaii climate change mitigation and adaptation
12		commission or its successor,
13	subject to the availability of maps that designate the five	
14	areas by	tax map key (zone, section, parcel), the seller shall
15	include t	he material fact information in the disclosure
16	statement provided to the buyer subject to this chapter. Each	
17	county shall provide, where available, maps of its jurisdiction	
18	detailing the five designated areas specified in this	
19	subsection. The maps shall identify the properties situated	
20	within the five designated areas by tax map key number (zone,	
21	section, parcel) and shall be of a size sufficient to provide	

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- 1 information necessary to serve the purposes of this section.
- 2 Each county shall provide legible copies of the maps and may
- 3 charge a reasonable copying fee.
- 4 (b) When residential real property lies adjacent to the
- 5 shoreline, the seller shall disclose all permitted and
- 6 unpermitted erosion control structures on the parcel or on state
- 7 land adjacent to the parcel, expiration dates of any permitted
- 8 structures, any notices of alleged violation, and any fines for
- 9 expired permits or unpermitted structures.
- 10 [<del>(b)</del>] (c) When it is questionable whether residential real
- 11 property lies within any of the designated areas referred to in
- 12 subsection (a) due to the inherent ambiguity of boundary lines
- 13 drawn on maps of large scale, the ambiguity shall be construed
- 14 in favor of the seller; provided that a good faith effort has
- 15 been made to determine the applicability of subsection (a) to
- 16 the subject real property.
- 17 [<del>(c)</del>] (d) Except as required under subsections (a) [and],
- 18 (b), and (c) and as required under section 508D-3.5, the seller
- 19 shall have no duty to examine any public record when preparing a
- 20 disclosure statement."

- 1 SECTION 3. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun before its effective date.
- 4 SECTION 4. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 5. This Act shall take effect on June 30, 3000.

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### Report Title:

Residential Real Property Transactions; Mandatory Seller Disclosures; Shoreline Erosion Control Structures

### Description:

Requires disclosure of all existing permitted and unpermitted shoreline erosion control structures on parcels of land adjacent to the shoreline prior to real estate transactions. Effective 6/30/3000. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.