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 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

H.B. NO. H.D. 2

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 before 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[+] within:		
13	(1) [Within the] The boundaries of a special flood hazard		
14	area as officially designated on flood maps		
15	promulgated by the National Flood Insurance Program of		
16	the Federal Emergency Management Agency for the		
17	purposes of determining eligibility for emergency		
18	flood insurance programs;		
19	(2) [Within the] <u>The</u> boundaries of the noise exposure area		
20	shown on maps prepared by the department of		
21	transportation in accordance with Federal Aviation		

H.B. NO. H.D. 2

1		Regulation part 150, Allport Noise Compacibility		
2		Planning (14 C.F.R. part 150), for any public airport;		
3	(3)	[Within the] 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] The anticipated inundation areas		
8		designated on the department of defense's emergency		
9		management tsunami inundation maps; or		
10	(5)	[Within the] The sea level rise exposure area as		
11		designated by the Hawaii climate change mitigation and		
12		adaptation commission or its successor,		
13	subject t	o the availability of maps that designate the five		
14	areas by tax map key (zone, section, parcel), the seller shall			
15	include the 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			

$H.B.\ NO.\ ^{1091}_{H.D.\ 2}$

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 adjace	ent to the		
5	shoreline, the seller shall disclose:			
6	(1) All permitted and unpermitted erosion cont	rol		
7	structures on the parcel or on state land	seaward and		
8	adjacent to the parcel, expiration dates of	of any		
9	permitted structures, any notices of alleg	jed		
10	violation, and any fines for expired permi	its or		
11	unpermitted structures; and			
12	(2) The annual coastal erosion rate for the zo	oning lot as		
13	determined by historical analysis and show	vn on the		
14	county databases for historical erosion ra	ates, when		
15	publicly available.			
16	$[\frac{(b)}{(c)}]$ When it is questionable whether resi	dential real		
17	property lies within any of the designated areas res	erred to in		
18	subsection (a) due to the inherent ambiguity of bour	ndary lines		
19	drawn on maps of large scale, the ambiguity shall be	construed		
20	in favor of the seller; provided that a good faith e	effort has		

H.B. NO. 1091

- 1 been made to determine the applicability of subsection (a) to
- 2 the subject real property.
- 3 [(c)] (d) Except as required under subsections (a) [and]__
- 4 (b), and (c) and [as required under] section 508D-3.5, the
- 5 seller shall have no duty to examine any public record when
- 6 preparing a disclosure statement."
- 7 SECTION 3. This Act does not affect rights and duties that
- 8 matured, penalties that were incurred, and proceedings that were
- 9 begun before its effective date.
- 10 SECTION 4. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 5. This Act shall take effect on June 30, 3000.

13

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, and the annual coastal erosion rates for, parcels of land adjacent to the shoreline before real estate transactions. Effective 6/30/3000. (HD2)

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