
A BILL FOR AN ACT

RELATING TO REAL ESTATE TRANSACTIONS.

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, the legislature recognizes that climate change is not only
3 real, but it is also the overriding challenge of the twenty-
4 first century and one of the priority issues of the legislature.
5 Climate change poses immediate and long-term threats to the
6 State's economy, sustainability, and security, and its
7 residents' way of life.

8 The legislature recognized the existential threat of sea
9 level rise to real property and, by Act 179, Session Laws of
10 Hawaii 2021, amended section 508D-15, Hawaii Revised Statutes,
11 to require mandatory seller disclosures in real property
12 transactions to include a notification that residential real
13 property lies within the sea level rise exposure area. Research
14 published by the Intergovernmental Panel on Climate Change and
15 the National Aeronautics and Space Administration shows that sea
16 levels in Hawaii will continue to rise, yet sea level rise has
17 no detectable effect on valuations or sales data on real



1 property. The lack of a sea level rise discount indicates that
2 purchasers may be under-prepared for the future challenges and
3 implications of sea level rise and the ancillary effects of
4 coastal erosion, future flooding, inundation, and storm surge.

5 The purpose of this Act is to further strengthen
6 protections for prospective purchasers of residential property
7 within the shoreline area by requiring the seller to disclose:

- 8 (1) All permitted and unpermitted erosion control
9 structures on the parcel or on state land adjacent to
10 the parcel;
11 (2) The annual coastal erosion rate for the applicable
12 zoning lot; and
13 (3) The actual distance from the shoreline of all
14 structures on the parcel at the time disclosure is
15 made.

16 SECTION 2. Section 508D-15, Hawaii Revised Statutes, is
17 amended to read as follows:

18 **"§508D-15 Notification required; ambiguity.** (a) When
19 residential real property lies:

- 20 (1) Within the boundaries of a special flood hazard area
21 as officially designated on flood maps promulgated by



1 the National Flood Insurance Program of the Federal
2 Emergency Management Agency for the purposes of
3 determining eligibility for emergency flood insurance
4 programs;

5 (2) Within the boundaries of the noise exposure area shown
6 on maps prepared by the department of transportation
7 in accordance with Federal Aviation Regulation part
8 150, Airport Noise Compatibility Planning (14 C.F.R.
9 part 150), for any public airport;

10 (3) Within the boundaries of the Air Installation
11 Compatible Use Zone of any Air Force, Army, Navy, or
12 Marine Corps airport as officially designated by
13 military authorities;

14 (4) Within the anticipated inundation areas designated on
15 the department of defense's emergency management
16 tsunami inundation maps; or

17 (5) Within the sea level rise exposure area as designated
18 by the Hawaii climate change mitigation and adaptation
19 commission or its successor,

20 subject to the availability of maps that designate the five
21 areas by tax map key (zone, section, parcel), the seller shall



1 include the material fact information in the disclosure
2 statement provided to the buyer subject to this chapter. Each
3 county shall provide, where available, maps of its jurisdiction
4 detailing the five designated areas specified in this
5 subsection. The maps shall identify the properties situated
6 within the five designated areas by tax map key number (zone,
7 section, parcel) and shall be of a size sufficient to provide
8 information necessary to serve the purposes of this section.
9 Each county shall provide legible copies of the maps and may
10 charge a reasonable copying fee.

11 (b) When residential real property lies within the
12 shoreline area as identified by official tax maps, the seller
13 shall include as material fact information in the disclosure
14 statement provided to the buyer:

15 (1) All permitted and unpermitted erosion control
16 structures on the parcel or on state land adjacent to
17 the parcel, including expiration dates of permitted
18 structures and any notices of alleged violation and
19 finances for expired permits or unpermitted structures;

20 (2) The annual coastal erosion rate for the applicable
21 zoning lot as described in the maps on the Hawaii



1 shoreline change tool, developed by the University of
2 Hawaii at Manoa school of ocean and earth science and
3 technology and the Pacific Islands ocean observing
4 system, or its successor maps; and

5 (3) The actual distance of the dwelling from the
6 vegetation line for all sandy shoreline parcels, as
7 mapped and included on the Hawaii sea level rise
8 viewer.

9 ~~(b)~~ (c) When it is questionable whether residential real
10 property lies within any of the designated areas referred to in
11 subsection (a) due to the inherent ambiguity of boundary lines
12 drawn on maps of large scale, the ambiguity shall be construed
13 in favor of the seller; provided that a good faith effort has
14 been made to determine the applicability of subsection (a) to
15 the subject real property.

16 ~~(e)~~ (d) Except as required under subsections (a) ~~and~~,
17 (b), and (c), and as required under section 508D-3.5, the seller
18 shall have no duty to examine any public record when preparing a
19 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 upon its approval.

7

INTRODUCED BY: *Dan Raman*

JAN 23 2023



H.B. NO. 840

Report Title:

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

Description:

When residential real property lies within the shoreline area, mandates the seller to include in the disclosure statement notification of all existing permitted and unpermitted erosion control structures on the parcel or on state land adjacent to the parcel, the annual coastal erosion rate, and the actual distance of the dwelling from the vegetation line for all sandy shoreline parcels.

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

