

STAND. COM. REP. NO.

2135

Honolulu, Hawaii

FEB 11 2016

RE: S.B. No. 3067

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred S.B. No. 3067 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 require an oceanfront purchaser statement with the sale or transfer of oceanfront real estate to ensure that new oceanfront property owners understand the special hazards, permitting requirements, and limitations that may affect the oceanfront property.

Your Committee received comments on this measure from the Department of Land and Natural Resources and Hawai'i Association of REALTORS.

Your Committee finds that oceanfront property is often vulnerable to hazards, such as coastal erosion and flooding, which can be exacerbated by sea level rise and man-made interruptions to natural sand supply. Privately owned oceanfront land is lost when shorelines undergo landward retreat and oceanfront properties become smaller, which can adversely affect building setbacks, property values, and insurance availability. Additionally, obtaining a permit to repair or install shoreline protection structures can be challenging due to Hawaii's coastal zone management policies, which are intended to protect the State's coastal resources and shoreline public access. Your Committee therefore finds it is important that new oceanfront property owners understand the special hazards, permitting requirements,

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and limitations that may affect the oceanfront property via an oceanfront purchaser statement form.

Given the impact of the changes proposed by this measure on the real estate industry, your Committee finds that the effective date of this measure should allow adequate time for the Hawaii Association of REALTORS to prepare and educate its members. Your Committee also concurs with the Department of Land and Natural Resource's opinion that it is unnecessary for the Department to develop a form for the oceanfront purchaser statement or adopt rules regarding the form.

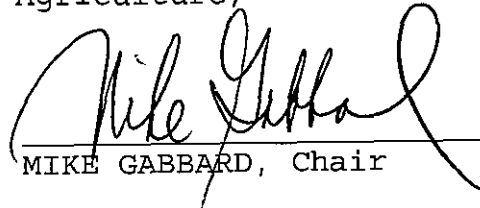
Your Committee has amended this measure by:

- (1) Clarifying language in the purpose section to explain the intent of coastal zone management policies;
- (2) Inserting language to be consistent with the definition of "shoreline" in section 205A-1, Hawaii Revised Statutes;
- (3) Replacing the term "coastal inundation hazard maps" with "historical coastal erosion rate maps";
- (4) Deleting language that would have required the Department of Land and Natural Resources to develop and make available online an oceanfront purchaser statement form and would have authorized the Department to adopt rules to effectuate this measure;
- (5) Inserting an effective date of November 1, 2016; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3067, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Ways and Means.



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

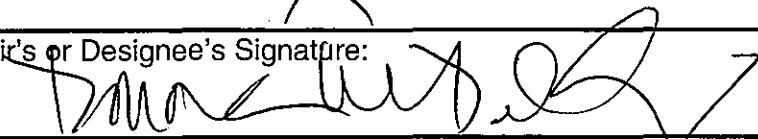


MIKE GABBARD, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Water, Land, and Agriculture
WLA

Bill / Resolution No.:* SB3067	Committee Referral: WLA, CPH/WAM	Date: 02-08-16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	/			
NISHIHARA, Clarence K. (VC)				/
DELA CRUZ, Donovan M.	/			
RIVIERE, Gil	/			
RUDERMAN, Russell E.				/
SHIMABUKURO, Maile S.L.	/			
THIELEN, Laura H.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	7			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes