A BILL FOR AN ACT

RELATING TO REAL PROPERTY TRANSACTIONS.

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

1 SECTION 1. The legislature finds that real property in the

2 State is often vulnerable to hazards, such as coastal erosion

3 and flooding from tsunamis, storms, and high waves. These

4 hazards can be exacerbated by sea level rise and human-caused

5 interruptions to natural sand supply. In Hawaii, all beaches

6 are prone to seasonal or episodic erosion from high waves and

7 storms. In addition, chronic erosion affects seventy per cent

8 of the beaches on Oahu, Maui, and Kauai.

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9 The legislature further finds that numerous court decisions

have affirmed that privately owned oceanfront land is lost when

11 shorelines undergo landward retreat and oceanfront properties

12 become smaller. When oceanfront property experiences landward

13 retreat, building setbacks, property values, and insurance

14 availability can be adversely impacted. Another challenge

15 property owners face in Hawaii is the stringent permit

16 requirements imposed by the counties and State for shoreline

17 protection. When shoreline retreat occurs, obtaining a permit

- 1 to repair or install shoreline protection structures, such as
- 2 seawalls, revetments, geotextile sandbags, or groins, can be
- 3 challenging due to Hawaii's coastal zone management policies,
- 4 which protect coastal natural resources and shoreline public
- 5 access. Furthermore, the legislature recognizes sea level rise
- 6 and shoreline retreat as concerns for all property owners, not
- 7 just oceanfront property owners.
- 8 Accordingly, the purpose of this Act is to require a sea
- 9 level rise hazard exposure statement with the sale or transfer
- 10 of any real estate to ensure that new property owners and
- 11 transferees understand the special hazards, permitting
- 12 requirements, and limitations that may affect the property.
- 13 SECTION 2. Chapter 508, Hawaii Revised Statutes, is
- 14 amended by adding a new section to be appropriately designated
- 15 and to read as follows:
- 16 "§508- Sea level rise hazard exposure statement. (a)
- 17 Effective November 1, 2019, every sale or transfer of real
- 18 property shall include a sea level rise hazard exposure
- 19 statement executed by the purchaser or transferee.
- 20 (b) Every sea level rise hazard exposure statement shall
- 21 include acknowledgment by the purchaser or transferee that the

- 1 purchaser or transferee has looked at the appropriate sea level
- 2 rise hazard exposure map and accepts risks of purchasing or
- 3 accepting a transfer of property that is at risk of climate-
- 4 related exposure."
- 5 SECTION 3. New statutory material is underscored.
- 6 SECTION 4. This Act shall take effect on November 1, 2019.

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Report Title:

Real Property; Purchase or Transfer of Real Property; Sea Level Rise Hazard Exposure Statement

Description:

Requires a purchaser or transferee to execute a sea level rise hazard exposure statement with every sale or transfer of real estate that acknowledges that the purchaser or transferee has looked at the appropriate sea level rise hazard exposure map and accepts risks of purchasing or accepting a transfer of property that is at risk of climate-related exposure. Takes effect 11/01/2019. (SD1)

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