

JAN 24 2019

A BILL FOR AN ACT

RELATING TO REAL ESTATE DISCLOSURE.

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 Hawai'i, 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 O'ahu, Maui, and Kaua'i.

9 The legislature further finds that numerous court decisions
10 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 Hawai'i 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 Hawai'i'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 508D, Hawaii Revised Statutes, is
14 amended by adding a new section to be appropriately designated
15 and to read as follows:

16 "§508D- Sea level rise hazard exposure statement. (a)
17 Beginning 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 acknowledgement by the purchaser or transferee that the



1 purchaser or transferee has reviewed the National Oceanic and
2 Atmospheric Administration sea level rise hazard exposure map or
3 the Hawaii Sea Level Rise Viewer and accepts the risks of
4 purchasing or accepting a transfer of property that is at risk
5 of climate-related exposure."

6 SECTION 3. Section 508D-15, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) When residential real property lies:

9 (1) Within the boundaries of a special flood hazard area
10 as officially designated on Flood Insurance
11 Administration maps promulgated by the United States
12 Department of Housing and Urban Development for the
13 purposes of determining eligibility for emergency
14 flood insurance programs;

15 (2) Within the boundaries of the noise exposure area shown
16 on maps prepared by the department of transportation
17 in accordance with Federal Aviation Regulation part
18 150, Airport Noise Compatibility Planning (14 C.F.R.
19 part 150), for any public airport;

20 (3) Within the boundaries of the Air Installation
21 Compatible Use Zone of any Air Force, Army, Navy, or



1 Marine Corps airport as officially designated by
2 military authorities; [øx]

3 (4) Within the anticipated inundation areas designated on
4 the department of defense's emergency management
5 tsunami inundation maps [7]; or

6 (5) Within a sea level rise hazard zone based on the
7 National Oceanic and Atmospheric Administration sea
8 level rise hazard exposure map or the Hawaii Sea Level
9 Rise Viewer;

10 subject to the availability of maps that designate the four
11 areas by tax map key (zone, section, parcel), the seller shall
12 include the material fact information in the disclosure
13 statement provided to the buyer subject to this chapter. Each
14 county shall provide, where available, maps of its jurisdiction
15 detailing the four designated areas specified in this
16 subsection. The maps shall identify the properties situated
17 within the four designated areas by tax map key number (zone,
18 section, parcel) and shall be of a size sufficient to provide
19 information necessary to serve the purposes of this section.
20 Each county shall provide legible copies of the maps and may
21 charge a reasonable copying fee."



S.B. NO. 1126

1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect upon its approval.

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S.B. NO. 1126

Report Title:

Real Estate Disclosure; Sea Level Rise; Hazard Exposure Statement

Description:

Beginning on November 1, 2019, requires all real property sales or transfers to include a sea level rise hazard exposure statement to ensure that new property owners and transferees understand the special hazards, requirements, and limitations that may affect the property. Requires sellers to include whether property is within a sea level rise hazard zone in the disclosure statement provided to the buyer.

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

