

STAND. COM. REP. NO. **774**

Honolulu, Hawaii

**FEB 17** , 2021

RE: H.B. No. 554

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 554 entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY TRANSACTIONS,"

begs leave to report as follows:

The purpose of this measure is to require sellers to include in the mandatory disclosure statements to buyers, information about the residential real property lying within the sea level rise exposure area as designated by the Hawaii Climate Change Mitigation and Adaptation Commission or its successor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Climate Change Mitigation and Adaptation Commission, Sierra Club of Hawai'i, Imua Alliance, Hawai'i Reef Ocean Coalition, and one individual. Your Committee received comments on this measure from the Hawai'i Association of REALTORS.

Your Committee finds that the matter of sea level rise is at the forefront of the impacts of climate change on properties and the environment. Your Committee finds that including the disclosure of sea level rise exposure information in sellers mandatory disclosure statements will make it part of the seller's legal obligation to reveal to the buyer any known defects about the home or property that is being purchased.

2021-1644 HB554 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Changing the effective date to May 1, 2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that an effective date of May 1, 2022, for this measure will coincide with the Hawai'i Association of REALTORS release date of its Standard Forms, including the Seller's Real Property Disclosure Statement and Oceanfront Property Addendum.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 554, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 554, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Water & Land,



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DAVID A. TARNAS, Chair



