

STAND. COM. REP. NO.

1657

Honolulu, Hawaii

, 2021

APR 07

RE: S.B. No. 474

S.D. 1

H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 474, S.D. 1, H.D. 1, 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 that mandatory seller disclosures in real property transactions include whether a residential real property is 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; Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; Hawai'i Association of REALTORS; Hawai'i Reef and Ocean Coalition; Sierra Club of Hawai'i; Imua Alliance; Hawai'i Shore and Beach Preservation Association; Surfrider Foundation, Hawai'i Region; and one individual.

Your Committee finds that the Hawaii Climate Change Mitigation and Adaptation Commission, established by Act 32, Session Laws of Hawaii 2017, is the coordinating body for policies on climate change mitigation and adaptation for the State. The

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Hawaii Climate Change Mitigation and Adaptation Commission agreed to five priority recommendations for countering the impacts of sea level rise, including supporting legislation requiring disclosure for private property and public offerings located in areas with potential exposure to sea level rise.

Your Committee further finds that disclosing sea level rise vulnerabilities with the sale of a vulnerable coastal property will support informed decision making by buyers and government agencies. The value of property lying within the boundaries of a sea level rise exposure area will likely be affected over time, and thus is a material fact that should be disclosed by a seller in a real property transaction.

Your Committee has amended this measure by changing its effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 474, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 474, S.D. 1, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



AARON LING JOHANSON, Chair



