
February 3, 2021

The Honorable Lorraine R. Inouye, Chair
Senate Committee on Water and Land
Via Videoconference

Aloha Chair Inouye, Vice Chair Keith-Agaran, and Members of the Committee,

I am Mary Begier, Chair of the Business and Real Estate Transaction Subcommittee of the Government Affairs Committee, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members.. HAR **opposes** Senate Bill 473 which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate. Requires filing of statement with Bureau of Conveyances.

HAR has created an Oceanfront Property Addendum which discloses pertinent information specific to the ownership of oceanfront property. It is HAR's industry practice to create forms that exceed what is called for via laws, rules and regulation. As such, this measure seems unnecessary.

Additionally, this measure requires a notarized statement and recordation of the Statement at the Bureau of Conveyances. This will add to the administrative burden upon the parties in a real estate transaction, Escrow and the Bureau of Conveyances.

Mahalo for the opportunity to testify.



OCEANFRONT PROPERTY ADDENDUM
Hawaii Association of REALTORS® Standard Form
Revised 12/18 (NC) For Release 11/20



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OCEANFRONT PROPERTY ADDENDUM is made a part of Purchase Contract:

Purchase Contract Reference Date: _____

Property Reference or Address: _____

Tax Map Key: Div. _____ /Zone _____ /Sec. _____ /Plat _____ /Parcel(s) _____ /CPR(s) _____ (if applicable).

Buyer and Seller agree as follows:

A. Buyer is aware that:

- A-1 Property fronts the ocean and may be in a Special Management Area in accordance with the State and County laws, rules and regulations.
- A-2 The location of the shoreline boundary of Property (including both Land Court and Regular System properties) may be subject to change because of coastal processes in adding to or taking away land along the shoreline and is subject to redetermination according to the laws of the State of Hawaii. For example, the shoreline boundary may move inland due to erosion or seaward due to accretion, and the square footage of Property may change accordingly.
- A-3 The conveyance document will typically contain a reference to the location of the seaward boundary in accordance with the laws of the State of Hawaii. In addition, the conveyance document may also include a reference to a certified shoreline boundary in accordance with the laws, rules and regulations of the State and County.
- A-4 Property is subject to shoreline setback and flood control requirements as determined by Federal, State and County laws, rules and regulations.
- A-5 Identification of certified shoreline boundaries is governed by Title 13, Sub-Title 10, Chapter 222 of the Hawaii Administrative Rules, "Shoreline Certifications," and that shoreline certifications by the State can be challenged by the private and/or public sector.

B. Buyer acknowledges that neither Seller nor Brokerage Firm(s) involved in this transaction, have made any representations or warranties concerning the State Shoreline Certification, seaward boundary, and/or square footage of Property. Buyer agrees not to assert any claim against Seller or Brokerage Firm(s) involved in this transaction regarding any matters which concern the shoreline boundary of the Property or the square footage of the Property.

C. Neither Seller nor Brokerage Firm(s) involved in this transaction make any representations or warranties concerning any actions Buyer may take with respect to erosion control. In particular, no representations are made about seawalls, retaining walls, piers, docks or re-vegetation. Buyer is advised to determine the effect of the proximity of the shoreline to the improvements, and should seek professional advice from Buyer's contractors, engineers, attorneys, appropriate governmental agencies, or any other licensed professionals.

D. Properties located in certain flood zones, high wave, and/or tsunami inundation areas, may be subject to damage, additional building, engineering and elevation requirements as well as insurance rates/limits. Buyer should consult with the appropriate County agencies to determine the current elevation requirements. If there is a structure on the Property, the State of Hawaii or County agencies may require surveying to determine if the structure conforms to Federal, State and/or County requirements.

E. Threats to Coastal Properties Due to Sea Level Rise. Scientific studies indicate that island communities, such as Hawaii, are vulnerable to sea level rise and coastal hazards associated with a changing climate. As coastal water levels rise, community populations and infrastructure (hospitals, schools, roads, public utilities, communication systems) are increasingly vulnerable to flooding, inundation and destruction. In addition to the dangers of increased baseline sea level, rising waters increase the risk to neighborhoods and communities that are coastal and in close proximity to the ocean posed by hurricanes, tsunamis, high wave events and coastal erosion. It is difficult to predict how government entities (such as zoning, land use and permitting authorities) and the private sector (such as insurance companies) will respond over time. All of the foregoing could adversely affect the condition, use and value of impacted properties.

F. Existing and future improvements may now be or may become encroachments on State of Hawaii property. Property owners, including the Buyer after closing, may be found to be in violation of the rules and laws governing shorelines. Buyer may be held responsible by the State of Hawaii to remove and/or remedy any encroachments such as, but not limited to, any sign of induced vegetation, any evidence of private use of the land, any structures which may include seawalls, revetments, shoreline hardening, sandbags, or anything else on the ocean side of the anticipated property boundary line. Seller agrees to provide Buyer with all information known to Seller on seawalls, or any other such manmade structures or vegetation.

BUYER'S INITIALS & DATE

SELLER'S INITIALS & DATE



G. A State Shoreline Certification establishes a boundary from which the buildable area may be calculated and setbacks established which may be required to obtain building permits. "Shoreline" as defined in HRS 205A-1 means "the upper reaches" of the wash of the waves, other than storm and seismic waves, at high tide during the season of the year in which the highest wash of the waves occurs, usually evidenced by the edge of vegetation growth, or the upper limit of debris left by the wash of the waves.

A State Shoreline Certification does not necessarily establish a seaward boundary of the Property. State Shoreline Certification does not establish the exact square footage of the property. State Shoreline Certification is a lengthy process that may take an extended period of time from six (6) months to several years, and is valid for a limited period of time from the date of certification.

H. Seller agrees to deliver to Buyer copies of all past and existing State Shoreline Certification(s) if in Seller's possession as part of Seller's Real Property Disclosure Statement.

I. Buyer and Seller agree that a new State Shoreline Certification:

(a) will not be obtained. OR

(b) will be obtained and shall be paid by Seller or Buyer. (Use Paragraph JK for Special Terms). State Shoreline Certification shall be completed no later than _____. If the State Shoreline Certification is not obtained within the time frame, Buyer and Seller may elect to extend delivery of such State Shoreline Certification, or Buyer may elect to terminate the Purchase Contract pursuant to Paragraph O-3. If Buyer elects not to terminate the Purchase Contract, then Buyer agrees to proceed to closing without the State Shoreline Certification.

J. Buyer's lender may require flood insurance as a condition of obtaining financing. Buyer is aware that Buyer may be required to obtain an Elevation Certificate(s) in order to obtain flood insurance. Buyer is advised to verify flood designations and consult the National Flood Insurance Program for the availability of flood insurance and flood insurance premiums based on the risk of flooding in the area where the Property is located. Seller agrees to deliver any existing Elevation Certificate(s) in Seller's possession.

An Elevation Certificate(s) shall be paid for by Seller Buyer. The Elevation Certificate(s) shall be delivered to Buyer no later than _____.

K. SPECIAL TERMS (Please number K-1, K-2, etc.)

Property is subject to governmental oversight regarding specific oceanfront requirements, and Buyer is advised to contact governmental agencies to determine specific requirements for the Property.

Buyer and Seller acknowledge that Buyer/Seller have read, understand and agree to the terms and conditions of this OCEANFRONT PROPERTY ADDENDUM, and have not relied upon any advice from Brokerage Firm(s) involved in this transaction, and further acknowledge receipt of a fully executed copy of this Addendum. Buyer is advised to seek legal and other professional advice regarding the complex nature of oceanfront property.

_____ BUYER	_____ DATE	_____ SELLER	_____ DATE
_____ BUYER	_____ DATE	_____ SELLER	_____ DATE
_____ BUYER	_____ DATE	_____ SELLER	_____ DATE

NOTE: THERE IS NO WARRANTY ON PLAIN LANGUAGE. An effort has been made to put this agreement into plain language. But there is no promise that it is in plain language. In legal terms, THERE IS NO WARRANTY, EXPRESSED OR IMPLIED, THAT THIS AGREEMENT COMPLIES WITH CHAPTER 487A OF THE HAWAII REVISED STATUTES. This means that the Hawaii Association of REALTORS® is not liable to any Buyer, Seller, or other person who uses this form for any damages or penalty because of any violation of Chapter 487A. People are cautioned to see their own attorneys about Chapter 487A (and other laws that may apply).



SENATE COMMITTEE ON WATER AND LAND

Joint Hearing Wednesday, February 3, 2021 1:00 PM Conference Room 229

IN SUPPORT SB 473 Relating to Real Property Transactions

Chair Inouye, Co-Chair Keith-Agaran, and Committee Members:

The HAWAII REEF AND OCEAN COALITION –HIROC– was formed in 2017 by coral reef scientists, educators, local Hawai'i environmental organizations, elected officials, and others to address a crisis facing Hawaii's coral reefs and ocean. We are currently asking the Legislature to pass a handful of very important bills to save our coral reefs – they are bills relating to sunscreens, cesspools, plastic marine debris, climate and sea level rise

We support passage of SB 473 Relating to Real Property Transactions.

This bill requires that property owners who purchase or transfer properties within the Sea Level Rise Exposure Area (SLR-XA) complete and file with the Bureau of Conveyances a Vulnerable Coastal Property Purchaser Statement acknowledging the risks facing such properties, including sea level rise and governmental policies against seawalls, revetments, and other forms of coastal hardening. We find this requirement to be prudent, given the inevitability of sea level rise and the associated impacts.

Thank you for the opportunity to testify on this important bill.

Dave Raney

On behalf of the Hawai'i Reef Ocean Coalition

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

OFFICE OF CONSERVATION AND COASTAL LANDS
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
WATER AND LAND**

**Wednesday, February 3, 2021
1:00 PM
State Capitol, Via Videoconference**

**In consideration of
SENATE BILL 473
RELATING TO REAL PROPERTY TRANSACTIONS**

Senate Bill 473 proposes to require that a vulnerable coastal property statement accompany the sale of a vulnerable coastal property and that mandatory seller disclosures in real property transactions include identification of residential real properties located within a sea level rise exposure area. The Department of Land and Natural Resources (Department) supports the measure and offers the following comments.

Senate Bill 473 proposes to amend Chapter 508D Hawaii Revised Statutes, to add a new section requiring that with the sale of a vulnerable coastal property, the purchaser and buyer execute an oceanfront vulnerable coastal property statement. For the purposes of the proposed amendment, the bill defines vulnerable coastal property as residential real property within a sea level rise vulnerability area as officially designated by the Hawaii Climate Change Mitigation and Adaptation Commission or its successor. The bill establishes mandatory language for every vulnerable coastal property statement and would require the statement to be notarized and recorded in the Bureau of Conveyances. It also adds a requirement that, along with maps of flood insurance zones and sea level rise inundation, that buyers be made aware of the risks associated with coastal property such as erosion losses, difficulty in repairing existing seawalls, recognition of beaches as public trust resources, the right of the public to transit along the state's shorelines, and the need to remove encroaching vegetation along the shoreline.

As you know, it is the mission of the Department to manage public lands and ocean resources, including beaches throughout the State. The Department is very much at the forefront of addressing impacts related to coastal erosion and beach loss in Hawaii. Beaches are central to our

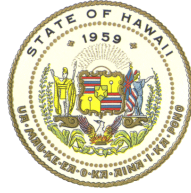
culture and economy, yet our beaches are being lost at alarming rates due natural processes and human impacts, threatening alongshore public access and upland development.

Coastal properties are vulnerable to erosion (i.e., shoreline recession and land loss) and flooding from high waves, storms and tsunami. The Department believes that it is critical that buyers understand the hazards and risks they are assuming in purchasing oceanfront property, in the spirit of transparency and disclosure and to support informed decision making by buyers and government agencies.

In December 2017, the Commission accepted the Hawaii Sea Level Rise Report and accompanying Hawaii Sea Level Rise Viewer. Along with the Report, a newly issued guidance (Guidance for Using the Sea Level Rise Exposure Area in Local Planning and Permitting Decisions, Oct 2020) and updated Viewer provide maps of a Sea Level Rise Exposure Area (SLR-XA) incorporating models of passive flooding, shoreline erosion, and annual high wave run-up with 3.2 feet of sea level rise. These map layers are available for download in a variety of formats from the Viewer as well as the Hawaii Statewide GIS Program website. The Viewer also includes a property address and property tax map (TMK map) search tool.

Finally, we note that there are other measures circulating in the legislature regarding disclosure of coastal hazards and sea level rise exposure in real estate transactions. The Department supports these measures as they are currently written but would be happy to work with stakeholders to develop consensus on one common measure moving forward.

Thank you for this important legislation and for the opportunity to comment on this measure.



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
Anukriti Hittle
Coordinator, Hawaii Climate Change Mitigation and Adaptation Commission**

**Before the Senate Committee on
WATER AND LAND**

**Wednesday, February 3, 2021
1:00pm
State Capitol, Conference Room 229**

**In support of
SENATE BILL 473
RELATING TO REAL PROPERTY TRANSACTIONS**

Senate Bill 473 proposes to require a vulnerable coastal property purchase statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate. **On behalf of the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) I support this measure, and offer the following comments.**

The Hawaii Climate Change Mitigation and Adaptation Commission “recognizes the urgency of climate threats and the need to act quickly. It promotes ambitious, climate-neutral, culturally responsible strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient.” The Commission, established by Act 32 SLH 2017 to uphold the United States’ pledges under the Paris Agreement, is the coordinating body for policies on climate change mitigation and adaptation for the state. It is a high-level multi-jurisdictional body that guides the priorities of the state’s climate response. Co-chaired by DLNR and Office of Planning, it consists of 20 members—chairs of four legislative committees, and executive department heads at the county and state levels.

At its September 2018 meeting, the Climate Commission agreed to five priority recommendations for countering impacts of sea level rise, **including supporting legislation for disclosure for private property and public offerings in areas with potential exposure to sea level rise.** This measure acts on this priority recommendation, and is a crucial component of Hawaii’s adaptation to sea level rise impacts on coastal property.

In December 2017, the Commission accepted the *Hawaii Sea Level Rise Report* and accompanying *Hawaii Sea Level Rise Viewer*. Along with the Report, a newly issued guidance (*Guidance for Using the Sea Level Rise Exposure Area in Local Planning and Permitting Decisions*, Oct 2020)

Co-Chairs:
Chair, DLNR
Director, Office of Planning

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WTH
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHH
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM

and updated Viewer provide maps of a Sea Level Rise Exposure Area (SLR-XA) incorporating models of passive flooding, shoreline erosion, and annual high wave run-up with 3.2 feet of sea level rise. These map layers are available for download in a variety of formats from the Viewer as well as the Hawaii Statewide GIS Program website. The Viewer also includes a property address and property tax map (TMK map) search tool.

Recent science summarized in the Report, Guidance and Viewer points to a likelihood of three feet or more of sea level rise in the second half of this century - within the expected lifespan of most existing and new development. It is critical that sea level rise vulnerabilities are disclosed with the sale of a vulnerable coastal property to support informed decision making by buyers and government agencies, and this measure captures that such disclosure is essential.

State and county Commission member agencies are experiencing intense pressure from beachfront landowners facing imminent erosion threats. It is critical that buyers understand the risks they are assuming in purchasing oceanfront property. This measure will help to ensure transparency and shared understanding of these risks among buyers, sellers, and government permitting and regulatory agencies.

The Commission also provided testimony in support of Senate Bill 474 Relating to Real Property Transactions, which proposes to require that mandatory seller disclosure in real estate transaction include identification of real properties lying within the sea level rise exposure area.

Thank you for the opportunity to offer comments in support of this measure.



SB 473, RELATING TO REAL PROPERTY TRANSACTIONS

FEBRUARY 3, 2021 · SENATE WATER AND LAND
COMMITTEE · CHAIR SEN. LORRAINE R. INOUE

POSITION: Support.

RATIONALE: Imua Alliance supports SB 473, relating to real property transactions, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate and requires filing of statement with Bureau of Conveyances.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Columbia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of people are displaced from their homes. In the decades to come, says Gerrard, **climate change will very likely lead to a significant increase in the number of people who are displaced**

and, thus vulnerable, to human trafficking. While the Paris Climate Agreement of 2015 established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, our state should take steps to protect Hawai'i's coastal areas, including by requiring sellers of residential properties lying within sea level rise exposure areas to disclose to buyers that such properties may be at risk of damage or destruction from climate change. **Doing so may make it easier for our state to implement additional policies that are necessary to deal with the impending climate crisis, like shoreline retreat.** For the sake of our keiki, we cannot afford to wait to solidify strategies to preserve our island home for generations to come.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org

SB-473

Submitted on: 2/1/2021 10:20:07 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Natalie Wohner	Individual	Support	No

Comments:

I am a resident of Manoa and I am in full support of SB473 relating to real property transactions! Mahalo for considering my testimony.



SIERRA CLUB OF HAWAI'I

SENATE COMMITTEE ON WATER AND LAND

February 3, 2020 1:00 PM

In **SUPPORT** of **SB473**: Relating to Real Property Transactions

Aloha Chair Inouye, Vice Chair Keith-Agaran, and Committee Members

On behalf of our 27,000 members and supporters, the Sierra Club of Hawai'i **supports SB 473**.

This bill requires that purchasers of properties within the Sea Level Rise Exposure Area (SLR-XA), as determined by the state Climate Commission, record their understanding of the potential impacts to the property resulting from it being within the SLR-XA. This provides an important safeguard against possible future claims by property owners that state and county agencies failed to protect their property, or that the previous owner of the property failed to inform the purchaser of the hazards of the property being within the SLR-XA.

Sea level rise is already occurring and affecting coastal properties, such as those in Hau'ula on O'ahu. As Section 1 of the bill details, shorelines will migrate inland over time as the sea level rise continues to rise. Revision of Chapter 508-D requiring mandatory disclosure of material facts affecting property values is urgently needed, including provisions to require disclosures by purchasers as well as sellers of vulnerable coastal properties. SB 474 provides the amendments required to do so.

Although purchasers may be aware the properties they purchased were within the sea level rise exposure area, they may not fully appreciate the ramifications of that fact which may emerge some time in the future. Purchasers may erroneously assume that governmental agencies will intervene to protect their properties or allow them to take protective actions discouraged or prohibited by state policies. SB 473 requires the filing of vulnerable coastal property statements with the Bureau of Conveyances whereby purchasers of properties in the sea level exposure area acknowledge in writing their awareness of the risks to those properties and the limitations which may affect the values of such properties.

Thank you very much for this opportunity to provide testimony in **support of SB 473**.

SB-473

Submitted on: 2/1/2021 11:38:46 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Amato	Individual	Support	No

Comments:

I am writing in support of Bill **SB473**. As a new home owner in Palolo, Oahu, I was shocked that there was not more transparency in the real estate market regarding sea level rise and climate change issues. I know this could make buyers more wary of coastal properties but people need to be aware of this impending issue. It is not political, it is just science. Thank you.

SB-473

Submitted on: 2/2/2021 12:37:57 AM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Juanita Brown Kawamoto	Individual	Support	No

Comments:

I support SB 473 because:

Beaches are public trust resources that governmental agencies have a responsibility to protect. The people of Hawaii should enjoy the right of access to the State's shorelines, including the right of transit along the shorelines, pursuant to section 115-4, and this right of transit can be threatened by shoreline protection structures that reduce the width of beaches as sea-level rise occurs; and the department of land and natural resources may require a landowner to remove encroaching vegetation if a landowner's human-induced, enhanced, or unmaintained vegetation interferes with or encroaches on a beach transit corridor pursuant to section 115-10. Please pass this bill.

Mahalo no kou 'ae 'ana i ko'u kuleana e hā• 'ike no ke kÄ• ko'o 'ana iÄ• SB473.

OFFICE OF ECONOMIC DEVELOPMENT

NALANI BRUN, ACTING DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of Ben Sullivan

Energy & Sustainability Coordinator, Office of Economic Development

Before the

Senate Committee on Water and Land

February 3, 2021; 1:00 pm

Conference Room 229

In consideration of

Senate Bill 473

Relating to Real Property Transactions

Honorable Chair Inouye, Vice Chair Keith-Agaran, and Members of the committee,

The County of Kauai **supports** SB 473, which requires a vulnerable coastal property purchaser statement to be executed by the purchaser or transferee with the sale or transfer of vulnerable coastal real estate

In December 2017, per Act 83 Session Laws of Hawai'i (SLH) 2014 and Act 32 SLH 2017, the Hawai'i Climate Change Mitigation and Adaptation Commission adopted the Hawai'i Sea Level Rise Vulnerability and Adaptation Report. This work produced the statewide sea level rise exposure area (SLR-XA) and was made publically available on-line at www.hawaiiisealevelriseviewer.org

The County of Kauai as well as the other three counties all hold seats on the Hawai'i Climate Change Mitigation and Adaptation Commission. In September 2018, the Hawai'i Climate Change Mitigation and Adaptation Commission provided high-priority recommendations for the legislature to increase climate resilience in the state, including a specific recommendation to ensure mandatory real estate disclosure in the sea level rise exposure area.

The County of Kauai supports this measure to assure that coastal property purchasers are well-informed on the risks associated with their purchase. We thank you for the opportunity to testify in support of this measure.



**Submitted to the Senate Committee on Water and Land
Hearing: Wednesday, February 3, 2021 1:00pm
Hawaii State Capitol Room 229, Video Conference
SB 473: Relating to Real Property Transactions**

Conservation Council For Hawaii **supports** SB 473 and offers the below comments.

Sea level rise and climate change should be at the forefront of our island states planning of private and public properties and infrastructure. All islands have been affected by change in sea level rise, most notably homes on the North Shore of Oahu, where sea walls built prior to any regulations have completely altered the coast line and property owners in more recent times than the have spent hundreds of thousands of dollars trying to save their homes from the intense tidal changes and high surf. Many of the "fixes" are not only causing further erosion, they are environmentally damaging not to mention illegally installed. On the island of Kauai, homeowners have been taking advantage of the states Small Scale Beach Nourishment Project to move sand and install "temporary small scale retention devices such as geotextile bags" which are meant to be "temporary" yet are not being removed once the remediation work is complete. This type of movement not only disrupts the coastlines contour, it also causes major disruption in the natural ecosystems that surround the project areas. Understanding that educating potential home and land owners is one avenue of combating the constant shoreline erosion issue, CCH supports SB 473 and suggests review and revision of the SSBN application and process as a whole. There needs to be consistency across the county and state agencies for addressing home loss due to sea level rise, future building and infrastructure design in alignment with the projections showing the effects of sea level rise on our islands, and enhanced enforcement when illegal seawalls are built as well as of disclosure requirements when properties change ownership through sale, family or agency exchanges.

Thank you for the opportunity to offer our **support** and comments for SB 473

DEPARTMENT OF PLANNING

KA'ĀINA HULL, DIRECTOR

JODI A. HIGUCHI SAYEGUSA, DEPUTY DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of County of Kaua'i, Department of Planning

Ka'āina Hull, Director of Planning

Before the

Senate Committee on Water and Land

February 3, 2021 at 1:00 PM

Conference Room 229

In consideration of

SENATE BILL 473

Relating to Real Property Transaction

To the Honorable Chair Lorraine R. Inouye, Vice Chair Gilbert S.C. Keith-Agaran, and members of the Committee:

The County of Kaua'i **supports** SB 473. Hawai'i's beaches are a valuable economic and natural resource to residents and visitors alike. Culturally, beaches play an important role to our people. The County of Kaua'i, Department of Planning believes the intent of SB 473 will educate potential buyers of coastal properties on the risks involved living on the coastline. SB 473 also aligns with existing Federal Coastal Zone Management (CZM) policies on shoreline hardening. We have seen how seawalls and the revetments of shorelines damage the natural shoreline environment and they can cause rapid acceleration of erosion of adjoining beaches.

The County of Kaua'i greatly appreciates your consideration of this Bill.



Environmental Caucus of The Democratic Party of Hawai'i

Wednesday, February 3, 2021
Senate Bill 473
Testifying in Support

Aloha Chair Inouye, Vice Chair Keith-Agaran, and Members of the Committee on Water and Land:

The Environmental Caucus of the Democratic Party of Hawaii stands in support of SB 473 as it requires that a vulnerable coastal property purchaser statement be provided as a condition of the sale or transfer of any vulnerable coastal real property to ensure that new property owners understand the risks posed by sea level rise and other special hazards, permitting requirements, and limitations that may affect vulnerable coastal property at the time of purchase.

The Environmental Caucus supports this bill because we believe it is the fairest and most proactive way to eliminate the proliferation of both legal and illegal sea walls in our state.

Homes located too close to the shoreline have been under threat for a number of years and the current climate crisis virtually assures us that the situation can only get worse. With our beaches under duress already, the last things we need are more sea walls which cause so much damage to our beaches. Laws and fines have not stopped homeowners from doing what they feel they must do to protect their homes, and unscrupulous real estate agents have not stopped selling these vulnerable properties to gullible clients. Sadly, people who can afford beach front property usually are not concerned about paying the minute fines currently being charged. Neither they nor the real estate industry seem to care about our state's beaches either.

If the state is not prepared to forbid selling of beachfront properties as dangerous to people and the environment, then this bill is an ethical option. It will force sellers to be honest and force potential buyers to recognize the dangers of buying vulnerable properties. Without this new law, the State and many homeowners will continue to be at odds and our beaches will experience even more aggressive erosion.

For these reasons, we urge you to vote favorably on this bill as the requirement of a vulnerable coastal property purchaser statement provided as a condition of the sale or transfer of any vulnerable coastal real property will ensure that new property owners fully understand the risks posed by sea level rise and other special hazards, permitting requirements, and limitations that may affect vulnerable coastal property at the time of purchase.

Mahalo for the opportunity to testify,

/s/ **MarthaE. Randolph**

Martha Randolph

State Central Committee Representative for the Environmental Caucus
Democratic Party of Hawai'i

SB-473

Submitted on: 2/2/2021 8:36:50 AM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Benyshek	Individual	Support	No

Comments:

Aloha, I am writing to SUPPORT bill SB473, which states a sea level rise disclosure requiring purchases of vulnerable coastal property to include vulnerable coastal property purchaser statement. This bill will protect and prepare homeowners from the hazards of sea level rise that we are seeing along many of Hawaii's coastlines. Thank you for your time and consideration.

LATE

SB-473

Submitted on: 2/2/2021 6:45:49 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nanea Lo	Individual	Support	No

Comments:

Hello,

My name is Nanea Lo and I'm a Kanaka Maoli and have been living in my ancestral lands for all my life - 31 years. I'm writing in support of SB473. I believe that in sales of homes in a vulnerable coastal areas it should include a signed disclosure statement.

Please support as well.

me ke aloha 'Ä• ina,

Nanea Lo

February 3, 2021
SENATE WATER AND LAND COMMITTEE
In **SUPPORT** of **SB473**: Relating to Real Property Transactions

Aloha Chair Inouye, Vice Chair Keith-Agaran, and Committee Members,

The Surfrider Foundation would like to offer this testimony in support of SB473.

The Surfrider Foundation is a national nonprofit organization dedicated to the protection and enjoyment of our ocean, waves, and beaches. Surfrider maintains a network of over 150 chapters and academic clubs nationwide, including 4 chapters across the Hawaiian Islands, which represent thousands of members and volunteers.

Our Beaches Need Protection

Coastlines and sandy beaches across Hawai'i face imminent and increasing threat from coastal hazards such as climate change, rising sea levels and coastal erosion. These coastal hazards threaten the public trust beach areas and billions of dollars of public and private property. In 2017, the [Hawai'i Sea Level Rise Vulnerability and Adaptation Report](#) (SLR report) estimated that 6,500 structures will be chronically flooded, 28 miles of coastline will become impassible, and 20,000 residents will be displaced with a 3.2 meter rise in sea level.

Additionally, according to a recent [study](#), we are at imminent risk of losing 40% of Hawai'i's sandy beaches and proactive management is necessary to preserve and protect these public trust lands. These sobering statistics, along with increased shoreline hardening structures and resultant beach loss, illustrate the need to take action. Mandating sea level rise disclosure statements at the point of sale for real estate transactions is both an important and pragmatic action to take.

This bill should be passed because:

- Disclosure is already required in flood and tsunami zones and the real estate industry is equipped to adopt an additional disclosure statement into their transactional paperwork.
- The [Sea Level Rise Exposure Area Map \(SLR-XA\)](#) is publicly available online.
 - Recent updates in the last year now make it possible to identify properties in the Sea Level Rise Exposure Area down to a specific TMK.
 - Using SLR-XA is more comprehensive than "beachfront" as it takes into account the combined impacts of SLR (e.g. flooding and coastal erosion).
- It won't cost the State any money. The economic impacts of inaction are in the millions to billions of dollars which will be a severe blow to the State over time. Taking action now saves the State money.
- Previous iterations of this bill had a wide consensus of support.
- It is a low hanging fruit to take a small but important step forward to protect our coastlines.
- It will allow residential property buyers in Hawaii to make informed decisions about the risks of purchasing coastal properties and potentially relieve the State of future liability for those decisions.
- It offers a science-based solution to the problem of sea level rise and coastal erosion.
- The State of Hawai'i is required by law to protect public trust lands, which include beaches and coastlines.

Thank you for your consideration of our testimony **in support of SB473**.

Mahalo,
Doorae Shin

O'ahu Chapter Coordinator
Surfrider Foundation

LATE

SB-473

Submitted on: 2/3/2021 10:34:19 AM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Dinner	Individual	Support	No

Comments:

A good companion to SB 474 to provide a fuller understanding to the risk of buying ocean front property.

LATE

SB-473

Submitted on: 2/3/2021 10:43:56 AM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Linda Leveen	Individual	Support	No

Comments:

I support this bill wholeheartedly.

LATE

SB-473

Submitted on: 2/3/2021 12:22:52 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Diaz	Individual	Support	No

Comments:

I Strongly support SB 473 RELATING TO: Real property transactions

Sea level rise disclosure requiring purchases of vulnerable coastal property to include vulnerable coastal property purchaser statement.

Lisa Diaz

76-223 Haoa st.

Kailua Kona, HI 96740

LATE

SB-473

Submitted on: 2/3/2021 2:23:00 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Judith Jennet	Individual	Support	No

Comments:

Support

LATE

SB-473

Submitted on: 2/3/2021 4:04:01 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Douglas Perrine	Individual	Support	No

Comments:

I support SB473

LATE

SB-473

Submitted on: 2/3/2021 8:58:35 PM

Testimony for WTL on 2/3/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kiana Otsuka	Individual	Support	No

Comments:

Aloha,

My name is Kiana Otsuka, and I am writing in strong support of SB 473. It is important that coastal property purchasers are informed about what they are getting into. Ideally this will help educate them on the risks of buying property that could erode/flood and that it is not legal for them to build sea walls along beaches in Hawaii.

Thank you for the opportunity to submit testimony.

Mahalo,

Kiana Otsuka