

STAND. COM. REP. NO.

507

Honolulu, Hawaii

, 2023

FEB 16

RE: H.B. No. 1091

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1091 entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY DISCLOSURES
WITHIN SHORELINE AREAS,"

begs leave to report as follows:

The purpose of this measure is to require the disclosure of all existing permitted and unpermitted shoreline erosion control structures, the annual erosion rate, and the current actual setback of all structures for shoreline properties prior to real estate transactions.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Office of Planning and Sustainable Development, University of Hawai'i Sea Grant College Program and Climate Resilience Collaborative, Hawai'i Climate Change Mitigation and Adaptation Commission, Surfrider Foundation, Hawai'i Reef and Ocean Coalition, and two individuals. Your Committee received comments on this measure from the Hawai'i Association of REALTORS.

Your Committee finds that the lack of a sea level rise discount in valuations of real property that lies adjacent to the shoreline indicates that purchasers may be under-prepared for the future challenges and implications of sea level rise and the

2023-1298 HB1091 HD1 HSCR HMSO



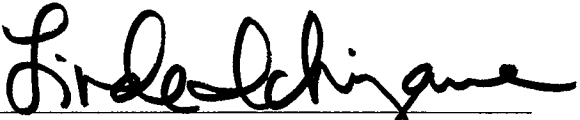
ancillary effects of coastal erosion, future flooding, inundation, and storm surges. This measure seeks to strengthen purchaser protections by requiring specified disclosures in transactions for residential real property situated adjacent to the shoreline.

Your Committee has amended this measure by:

- (1) Changing the frame of reference for residential real property subject to the new disclosure requirement from "within the shoreline area as identified by official tax maps," to "adjacent to the shoreline" because "shoreline area", as defined in the Hawaii Revised Statutes, is not identified on official tax maps;
- (2) Deleting the requirement of disclosure of the erosion rate for the property and the current actual setback from the shoreline of all structures on the property, as this data is not yet readily available;
- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1091, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1091, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

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


LINDA ICHIYAMA, Chair



