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## A BILL FOR AN ACT

RELATING TO DISCLOSURE OF COASTAL HAZARDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

- 1           SECTION 1. The purpose of this Act is to require that:
- 2           (1) A vulnerable coastal property statement accompany the
- 3                 sale of a vulnerable coastal property to ensure that
- 4                 buyers are aware of the risks posed by sea level rise
- 5                 and other coastal hazards that may affect vulnerable
- 6                 coastal property; and
- 7           (2) Mandatory seller disclosures in real property
- 8                 transactions include identification of residential
- 9                 real properties located within a sea level rise
- 10                exposure area.

11           SECTION 2. Chapter 508D, Hawaii Revised Statutes, is

12 amended by adding a new section to be appropriately designated

13 and to read as follows:

14           "§508D-     vulnerable coastal property statement. (a)

15 Except as provided in section 508D-3, no seller may sell a

16 vulnerable coastal property unless:



1       (1) Prior to the sale of a vulnerable coastal property, a  
2       vulnerable coastal property statement is:

3       (A) Signed and dated by the seller within six months  
4       before or ten calendar days after the buyer's  
5       acceptance of a real estate purchase contract;  
6       and

7       (B) Delivered, either directly or through the  
8       seller's agent, to the buyer no later than ten  
9       calendar days after the buyer's acceptance of a  
10       real estate purchase contract,  
11       for a vulnerable coastal property;

12       (2) The buyer acknowledges receipt and review of the  
13       vulnerable coastal property statement by signature on  
14       the real estate purchase contract or in any addendum  
15       attached to the contract, or in a separate document;  
16       provided that the buyer's acknowledgment shall be  
17       notarized by a notary public appointed and  
18       commissioned pursuant to chapter 456; and

19       (3) The vulnerable coastal property statement shall be  
20       recorded at the bureau of conveyances in a manner that  
21       conforms with the requirements of chapter 502.



- 1        (b) Every vulnerable coastal property statement shall  
2 include the following statements:
- 3        (1) "Coastal property is at risk of losing area if the  
4 shoreline retreats inland due to erosion, sea level  
5 rise, or permitting requirements";
- 6        (2) "Maps showing historic coastal erosion, flood  
7 insurance zones, and sea level rise vulnerability  
8 zones exist to inform the public of the risks of these  
9 occurrences";
- 10       (3) "Shoreline setback is determined pursuant to chapter  
11 205A, Hawaii Revised Statutes, and the location of the  
12 shoreline setback may be affected by inland migration  
13 of the upper reach of the wash of the waves";
- 14       (4) "Obtaining permits to repair or install shoreline  
15 protection structures may be difficult due to state  
16 and federal coastal zone management policies that  
17 discourage coastal hardening";
- 18       (5) "Beaches are public trust resources that government  
19 agencies have a responsibility to protect";
- 20       (6) "The public enjoys a right of access to Hawaii's  
21 shorelines, including the right of transit along the



1 shorelines, pursuant to section 115-4, Hawaii Revised  
2 Statutes. This right of transit can be threatened by  
3 shoreline protection structures that reduce the width  
4 of beaches as sea level rise occurs"; and

5 (7) "The Department of Land and Natural Resources may  
6 require a landowner to remove encroaching vegetation  
7 if a landowner's human-induced, enhanced, or  
8 unmaintained vegetation interferes with or encroaches  
9 on a beach transit corridor pursuant to section 115-  
10 10, Hawaii Revised Statutes".

11 (c) For the purposes of this section, "vulnerable coastal  
12 property" means residential real property within a sea level  
13 rise vulnerability area as officially designated by the Hawaii  
14 climate change mitigation and adaptation commission or its  
15 successor."

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

18 "(a) When residential real property lies:

19 (1) Within the boundaries of a special flood hazard area  
20 as officially designated on Flood Insurance  
21 Administration maps promulgated by the United States



- 1 Department of Housing and Urban Development for the  
2 purposes of determining eligibility for emergency  
3 flood insurance programs;
- 4 (2) Within the boundaries of the noise exposure area shown  
5 on maps prepared by the department of transportation  
6 in accordance with Federal Aviation Regulation part  
7 150, Airport Noise Compatibility Planning (14 C.F.R.  
8 part 150), for any public airport;
- 9 (3) Within the boundaries of the Air Installation  
10 Compatible Use Zone of any Air Force, Army, Navy, or  
11 Marine Corps airport as officially designated by  
12 military authorities; [~~or~~]
- 13 (4) Within the anticipated inundation areas designated on  
14 the department of defense's emergency management  
15 tsunami inundation maps[~~7~~]; or
- 16 (5) Within a sea level rise exposure area as officially  
17 designated by the Hawaii climate change mitigation and  
18 adaptation commission or its successor;
- 19 subject to the availability of maps that designate the [~~four~~]  
20 five areas by tax map key (zone, section, parcel), the seller  
21 shall include the material fact information in the disclosure



1 statement provided to the buyer subject to this chapter. Each  
 2 county shall provide, where available, maps of its jurisdiction  
 3 detailing the [~~four~~] five designated areas specified in this  
 4 subsection. The maps shall identify the properties situated  
 5 within the [~~four~~] five designated areas by tax map key number  
 6 (zone, section, parcel) and shall be of a size sufficient to  
 7 provide information necessary to serve the purposes of this  
 8 section. Each county shall provide legible copies of the maps  
 9 and may charge a reasonable copying fee."

10 SECTION 4. This Act does not affect rights and duties that  
 11 matured, penalties that were incurred, and proceedings that were  
 12 begun before its effective date.

13 SECTION 5. Statutory material to be repealed is bracketed  
 14 and stricken. New statutory material is underscored.

15 SECTION 6. This Act shall take effect upon its approval;  
 16 provided that section 2 shall take effect on July 1, 2019.

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# H.B. NO. 565

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# H.B. NO. 565

**Report Title:**

Real Property Transactions; Coastal Hazards; Sea Level Rise

**Description:**

Requires that a vulnerable coastal property statement accompany the sale of a vulnerable coastal property. Requires that mandatory seller disclosures in real property transactions include identification of residential real properties located within a sea level rise exposure area.

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

