

Honolulu, Hawaii

FEB 14 , 2020

RE: H.B. No. 1878
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1878 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 residential real property transactions identify property within the sea level rise exposure area, as officially designated by the relevant county.

Your Committee received testimony in support of this measure from the Hawaii Youth Climate Coalition, IMUAlliance, and seven individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources; Hawaii Climate Change Mitigation and Adaptation Commission; Office of Economic Development of the County of Maui; Office of Economic Development of the County of Kauai; Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; Department of Research and Development of the County of Hawaii; Sierra Club of Hawaii; and Hawaii Association of REALTORS.

Your Committee finds that a property's vulnerability to sea level rise is a material fact for the purposes of mandatory disclosures of residential property sales, as it would be expected to measurably affect the value of the property. Your Committee



further finds that it is critical for buyers to understand the hazards and risks they are assuming when purchasing oceanfront property, in the spirit of transparency and disclosure and to support informed decision making by buyers and government agencies.

Your Committee has amended this measure by:

- (1) Requiring the Hawaii Climate Change Mitigation and Adaptation Commission or its successor to designate the sea level rise exposure area, rather than the individual counties;
- (2) Allowing the use of State-produced and adopted SLR-XA maps as an alternative until maps provided by the counties that designate the sea level rise exposure area are available; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

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 H.B. No. 1878, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1878, H.D. 1.

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



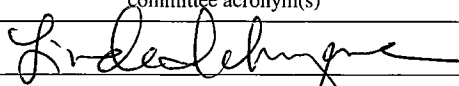
ROY M. TAKUMI, Chair



State of Hawaii
House of Representatives
The THIRTIETH Legislature

HSCR 627-2D

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: H/B 1870	Committee Referral: WLH/EEP, CPC, FIN	Date: 2/13/20		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. BELATTI, Della Au	✓			
5. CABANILLA ARAKAWA, Rida	✓			
6. CACHOLA, Romy M.	✓			
7. HAR, Sharon E.	✓			
8. KONG, Sam Satoru	✓			
9. MIZUNO, John M.	✓			
10. ONISHI, Richard H.K.	✓			
11. MATSUMOTO, Lauren	✓			
TOTAL (11)	11	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature: <u></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				