



GOV. MSG. NO. 1307

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 2, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 2, 2021, the following bill was signed into law:

SB0474 SD1 HD2 CD1

RELATING TO REAL PROPERTY
TRANSACTIONS
ACT 179 (21)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO REAL PROPERTY TRANSACTIONS.

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

1 SECTION 1. As reflected in Act 32, Session Laws of
2 Hawaii 2017 (Act 32), the legislature recognizes that not only
3 is climate change real, but it is also the overriding challenge
4 of the twenty-first century and one of the priority issues of
5 the legislature. Climate change poses immediate and long-term
6 threats to the State's economy, sustainability, security, and
7 its residents' way of life.

8 Act 32 established the Hawaii climate change mitigation and
9 adaptation commission (commission) and directed the commission
10 to, as a first step, focus on and develop sea level rise
11 vulnerability and adaptation reports that are required to
12 include:

- 13 (1) Identification of the major areas of sea level rise
14 impacts affecting the State and counties through 2050;
- 15 (2) Identification of expected impacts of sea level rise
16 based on the latest scientific research for each area
17 through 2050;



- 1 (3) Identification of the economic ramifications of sea
- 2 level rise;
- 3 (4) Identification of applicable federal laws, policies,
- 4 or programs that impact affected areas; and
- 5 (5) Recommendations for planning, management, and
- 6 adaptation for hazards associated with increasing sea
- 7 level rise.

8 The sea level rise vulnerability and adaptation report
9 approved by the commission identifies, with maps at tax map key
10 detail, areas that are susceptible to sea level rise impacts
11 based on a 3.2-foot increase in sea level projected to occur by
12 mid-century or earlier. These areas are designated as the sea
13 level rise exposure area projection, which the commission
14 recommends be adopted as a sea level rise exposure area overlay
15 to guide state and county adaptation strategies and standards
16 for development. Furthermore, the commission's statement
17 (September 4, 2018) includes a recommendation to require
18 disclosure for private properties and public offerings located
19 in areas with potential exposure to sea level rise. At a
20 minimum, the seller shall be required to disclose if the



1 property is located in the sea level rise exposure area as
2 identified in the State's report.

3 The legislature further finds that chapter 508D, Hawaii
4 Revised Statutes, requires a written disclosure statement
5 prepared by the seller, or at the seller's direction, that
6 purports to fully and accurately disclose all material facts
7 relating to residential real property being offered for sale. A
8 "material fact" is defined under section 508D-1, Hawaii Revised
9 Statutes, in pertinent part, to mean "any fact, defect, or
10 condition, past or present, that would be expected to measurably
11 affect the value to a reasonable person of the residential real
12 property being offered for sale." The value of property lying
13 within the boundaries of a sea level rise exposure area will
14 likely be affected over time, which the legislature determines
15 to be a material fact that should be disclosed by the seller in
16 a real property transaction.

17 The purpose of this Act is to require that mandatory seller
18 disclosures in real property transactions include indication
19 that a residential real property lies within the sea level rise
20 exposure area.



1 SECTION 2. Section 508D-15, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) When residential real property lies:

4 (1) Within the boundaries of a special flood hazard area
5 as officially designated on [~~Flood Insurance~~
6 ~~Administration maps promulgated by the United States~~
7 ~~Department of Housing and Urban Development~~] flood
8 maps promulgated by the National Flood Insurance
9 Program of the Federal Emergency Management Agency for
10 the purposes of determining eligibility for emergency
11 flood insurance programs;

12 (2) Within the boundaries of the noise exposure area shown
13 on maps prepared by the department of transportation
14 in accordance with Federal Aviation Regulation
15 part 150, Airport Noise Compatibility
16 Planning (14 C.F.R. part 150), for any public airport;

17 (3) Within the boundaries of the Air Installation
18 Compatible Use Zone of any Air Force, Army, Navy, or
19 Marine Corps airport as officially designated by
20 military authorities; [~~or~~]



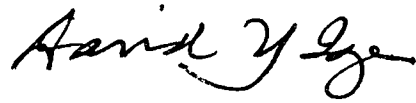
1 (4) Within the anticipated inundation areas designated on
2 the department of defense's emergency management
3 tsunami inundation maps~~[7]~~; or
4 (5) Within the sea level rise exposure area as designated
5 by the Hawaii climate change mitigation and adaptation
6 commission or its successor,
7 subject to the availability of maps that designate the ~~[four]~~
8 five areas by tax map key (zone, section, parcel), the seller
9 shall include the material fact information in the disclosure
10 statement provided to the buyer subject to this chapter. Each
11 county shall provide, where available, maps of its jurisdiction
12 detailing the ~~[four]~~ five designated areas specified in this
13 subsection. The maps shall identify the properties situated
14 within the ~~[four]~~ five designated areas by tax map key number
15 (zone, section, parcel) and shall be of a size sufficient to
16 provide information necessary to serve the purposes of this
17 section. Each county shall provide legible copies of the maps
18 and may charge a reasonable copying fee."

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21 SECTION 4. This Act shall take effect on May 1, 2022.

S.B. NO. 474
S.D. 1
H.D. 2
C.D. 1

APPROVED this 02 day of JUL, 2021


A handwritten signature in black ink, appearing to read "David Ige". The signature is written in a cursive, flowing style.

GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI‘I

Date: April 27, 2021
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai‘i, Regular Session of 2021.


President of the Senate


Clerk of the Senate

SB No. 474, SD 1, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives