
A BILL FOR AN ACT

RELATING TO REAL PROPERTY DISCLOSURES WITHIN SHORELINE AREAS.

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

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

8 The legislature recognized the existential threat of sea
9 level rise to real property and amended section 508D-15, Hawaii
10 Revised Statutes, to require mandatory seller disclosures in
11 real property transactions to indicate that a parcel of
12 residential real property lies within the sea level rise
13 exposure area. Research published by the Intergovernmental
14 Panel on Climate Change and the National Aeronautics and Space
15 Administration shows that sea levels in Hawaii will continue to
16 rise, but sea level rise has no detectable effect on valuations
17 or sales data on real property. The lack of a sea level rise



1 discount indicates that purchasers may be underprepared for the
2 future challenges and implications of sea level rise and the
3 ancillary effects of coastal erosion, future flooding,
4 inundation, and storm surges.

5 The purpose of this Act is to further strengthen purchaser
6 protections by requiring the disclosure of all permitted and
7 unpermitted erosion control structures on the parcel and the
8 annual coastal erosion rate for the zoning lot in real estate
9 transactions when residential real property lies adjacent to the
10 shoreline.

11 SECTION 2. Section 508D-15, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§508D-15 Notification required; ambiguity.** (a) When
14 residential real property lies[+] within:

15 (1) [~~Within the~~] The boundaries of a special flood hazard
16 area as officially designated on flood maps
17 promulgated by the National Flood Insurance Program of
18 the Federal Emergency Management Agency for the
19 purposes of determining eligibility for emergency
20 flood insurance programs;



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



1 subsection. The maps shall identify the properties situated
2 within the five designated areas by tax map key number (zone,
3 section, parcel) and shall be of a size sufficient to provide
4 information necessary to serve the purposes of this section.
5 Each county shall provide legible copies of the maps and may
6 charge a reasonable copying fee.

7 (b) When residential real property lies adjacent to the
8 shoreline, the seller shall disclose:

- 9 (1) All permitted and unpermitted erosion control
10 structures on the parcel, expiration dates of any
11 permitted structures, any notices of alleged
12 violation, and any fines for expired permits or
13 unpermitted structures; and
14 (2) The annual coastal erosion rate for the zoning lot as
15 determined by historical analysis and shown on the
16 county databases for historical erosion rates, when
17 publicly available.

18 ~~[(b)]~~ (c) When it is questionable whether residential real
19 property lies within any of the designated areas referred to in
20 subsection (a) due to the inherent ambiguity of boundary lines
21 drawn on maps of large scale, the ambiguity shall be construed



1 in favor of the seller; provided that a good faith effort has
2 been made to determine the applicability of subsection (a) to
3 the subject real property.

4 [~~e~~] (d) Except as required under subsections (a) [~~and~~],
5 (b), and (c) and [~~as required under~~] section 508D-3.5, the
6 seller shall have no duty to examine any public record when
7 preparing a disclosure statement."

8 SECTION 3. This Act does not affect rights and duties that
9 matured, penalties that were incurred, and proceedings that were
10 begun before its effective date.

11 SECTION 4. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 5. This Act shall take effect on June 30, 3000.



Report Title:

Residential Real Property Transactions; Mandatory Seller
Disclosures; Shoreline Erosion; Control Structures

Description:

Requires disclosure of all existing permitted and unpermitted
erosion control structures on the parcel and the annual coastal
erosion rate for the zoning lot in real estate transactions when
residential real property lies adjacent to the shoreline.
Effective 6/30/3000. (SD1)

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