

SB 222  
RELATING TO SALES AND TRANSFERS OF REAL PROPERTY  
SITUATED IN FLOOD AREAS

Statement for Senate Committee on Consumer Protection and Commerce  
Public Hearing, 9 February 1983

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SB 222 would add to Hawaii Research Statutes a new chapter requiring the disclosure of flood hazards when real property is to be transferred. This statement on the bill is based on a statement prepared by the Environmental Center that related to SB 2638-82, (Bell, Cox, and Dinell, RL:0465) a bill whose purpose was similar to that of SB 222 but covered other hazards besides flood hazards. The statement does not reflect an institutional position of the University.

The purposes of SB 222 is clear and appropriate. We suggest, however, that in one respect it is unduly broad and in another it is insufficiently explicit.

The undue breadth is in its applicability to lands without relation to land use. Flood hazards are of much greater consequence on urban and rural lands than agricultural and conservation lands, and we suggest restriction of the disclosure requirement to transfers of land in the urban and rural land-use districts.

The lack of sufficient explicitness is in the definition of the lands to which the disclosure requirement is applicable with respect to extent of flood hazard. The definition in SB 222 is land which "lies within the boundaries of a special flood hazard area as officially designated on Flood Insurance Administration maps promulgated by the United States Department of Housing and Urban Development for the purposes of determining eligibility for emergency flood insurance programs." The problem is that there are two sets of FIA maps: 1) "Floodway" (Flood boundary and flooding) maps; and 2) "FIRMS" (Flood insurance rate maps). These series discriminate between areas with various levels of hazard as follows:

<u>Areas of detailed mapping:</u>	<u>Floodway maps</u>	<u>FIRM's</u>
Floodway 100-year flood zone	Floodway Floodway fringe	Zone A,* may be divided into subzones
100-to 500-year flood zone	(500-year flood zone outside flood fringe)	Zone B#
Minimal hazard zone	---	Zone C#
<u>Areas without detailed mapping:</u>	---	Zone D#

\*Includes 100-year tsunami hazard areas.

#Not mapped for tsunami hazard.

All the zones and subzones shown on the FIRM's as zones A & B may be considered

"special flood hazard areas". Even Zone C is a special area, one of especially small flood hazard. Only Zone D is clearly not special, but that zone includes floodways and the equivalent of Zones A as well as Zones B and C. Rather than refer to the "special flood hazard area," the bill should be specific as to which of the zones on which of the series of maps its provisions apply, using terminology used in the maps. We suggest that, for uniformity of the hazard to which the disclosure requirement pertains, the bill should refer to the 100-year stream and tsunami hazard (Zone A) as shown on the FIRMS.

The FIA maps, published on a scale of 1 inch/1000 feet, show streets but not lots. Hence in the case of a lot near one of the zone boundaries, it is difficult to determine from the maps in which zone the lot lies or whether it is crossed by a boundary. In most cases, the criteria used in plotting the boundaries would permit more precise determination of the boundary locations than the maps allow. By reference to the criteria used in plotting boundaries on the maps rather than, or in addition to, the maps themselves, SB 2638 could require the most extensive and precise stream-hazard disclosures. However, to meet the requirement, land owners might in some cases have to employ surveyors or engineers to determine in what zones or combinations of zones their parcels of land falls. Alternatively the bill could allow statements of uncertainty as to stream-flood hazard in cases where such professional assistance would be necessary for precise determination.