

Honolulu, Hawaii

FEB 10 2025

RE: S.B. No. 1128
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which
was referred S.B. No. 1128 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish
requirements for insurers relating to claims for additional living
expenses under homeowners insurance policies, including situations
where losses are incurred during a state of emergency.

Your Committee received testimony in support of this measure
from three individuals.

Your Committee received testimony in opposition to this
measure from the Hawaii Insurers Council and American Property
Casualty Insurance Association.

Your Committee received comments on this measure from the
Department of Commerce and Consumer Affairs, National Association
of Mutual Insurance Companies, and one individual.

Your Committee finds that certain insurance policies provide
additional living expenses (ALE) coverage, which can help cover
costs associated with temporary housing or cover mortgage payments
in the event an insured's property is not inhabitable or gets
destroyed. Particularly for survivors of the 2023 Maui wildfires,




many policyholders have experienced delays in rebuilding their homes due to permitting issues, infrastructure setbacks, and other administrative obstacles, resulting in ALE coverage expiring well before their rebuilds have been completed. Additionally, housing options provided by national disaster relief agencies are not always available or practicable for all displaced families. Accordingly, current coverage periods do not align with the real timeline of disaster recovery. This measure, by extending ALE coverage periods and establishing other requirements, helps prevent further displacement and financial hardship for affected families.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1128, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1128, S.D. 1, and be referred to your Committee on Ways and Means.

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



JARETT KEOMOKALO, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB1128</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">1/31/25</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"				✓
AWA, Brenton				✓
TOTAL	3	0	0	2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-top: 10px;">Carol Fukunaga</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

*Only one measure per Record of Votes