

STAND. COM. REP. NO.

1742

Honolulu, Hawaii

APR 01 , 2025

RE: S.B. No. 752
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 752, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to increase, beginning January 1, 2026, the notice period for an insurer to notify a policyholder of a cancellation or nonrenewal of an insurance policy.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Hawaii Insurers Council. Your Committee received comments on this measure from the State Farm Mutual Automobile Insurance Company; American Property Casualty Insurance Association; and Liberty Mutual Insurance.

Your Committee finds that, under existing law, insurers are allowed to cancel a policy upon a ten-day notice. However, due to the precarious environment of property insurance in the State, this period of notice is inadequate to provide policyholders with sufficient time to obtain replacement insurance coverage. Extending the notice period for the cancellation of insurance policies will therefore promote transparency and enable consumers to make informed decision regarding property insurance.

2025-2954 SB752 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Limiting the provisions of this measure to policies of insurance on property used for residential purposes, including multi-family residential purposes;
- (2) Changing the period of written notice for cancellations to twenty days, rather than thirty days;
- (3) Specifying that in the cancellation of a policy due to nonpayment of premium or material representation, the property insurer must give notice no fewer than ten days before the effective date of the cancellation;
- (4) Changing the period of written notice for the nonrenewal of a policy to thirty days, rather than sixty days;
- (5) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments 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 S.B. No. 752, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 752, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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


SCOT Z. MATAYOSHI, Chair



