

STAND. COM. REP. NO.

884

Honolulu, Hawaii

**FEB 28 2025**

RE: S.B. No. 804  
S.D. 2

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

Sir:

Your Committees on Ways and Means and Judiciary, to which was referred S.B. No. 804, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE FOR HAWAII  
CONDOMINIUM PROPERTIES,"

beg leave to report as follows:

The purpose and intent of this measure is to address the significant increase in the cost of condominium building master insurance policies.

Specifically, this measure:

- (1) Requires property insurers to offer specific discounts to condominium associations that undertake risk mitigation strategies to improve building safety and resilience; and
- (2) Regulates insurance premium increases for condominium properties that have undertaken life safety evaluations and the installation of fire safety upgrades.

Your Committees received written comments in support of this measure from three individuals.



Your Committees received written comments in opposition to this measure from the National Association of Mutual Insurance Companies.

Your Committees received written comments on this measure from the Department of the Attorney General and the Department of Commerce and Consumer Affairs.

Your Committees find that condominium associations face significant challenges purchasing adequate property insurance to cover condominium projects. The availability of master property insurance policies for condominium projects continues to decrease while premiums for the policies rise. Your Committees further find that improving the risk profile of aging condominium projects through maintenance, safety measures, and mitigation strategies can positively impact insurance coverage. Accordingly, condominium associations that undertake these measures should benefit from lower insurance premiums.

Your Committees have amended this measure by:

- (1) Adding a section to clarify that the measure does not apply retroactively;
- (2) Adding a section to clarify that the measure does not retroactively impair contracts; and
- (3) Making technical, nonsubstantive purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 804, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 804, S.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committees on Ways and Means  
and Judiciary,



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KARL RHOADS, Chair



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DONOVAN M. DELA CRUZ, Chair





