



**JOSH GREEN, M.D.**  
GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE**  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I**  
**OFFICE OF THE DIRECTOR**  
**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**  
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**NADINE Y. ANDO**  
DIRECTOR | KA LUNA HO'OKELE

**DEAN I HAZAMA**  
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

## **Testimony of the Department of Commerce and Consumer Affairs**

**Before the**  
**Senate Committee on Ways and Means**  
**Wednesday, February 12, 2025**  
**10:01 a.m.**

**State Capitol, Conference Room 211 and via Videoconference**

**On the following measure:**  
**S.B. 1044, S.D. 1, RELATING TO THE STABILIZATION OF PROPERTY INSURANCE**

### **WRITTEN TESTIMONY ONLY**

Chair Dela Cruz and Members of the Committee:

My name is Jerry Bump, and I am the Acting Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department appreciates the intent of this bill and offers the following comments.

The purpose of this bill is to expand the powers of the Hawai'i Property Insurance Association (HPIA); reactivate the Hawai'i Hurricane Relief Fund (HHRF) to help to stabilize the property insurance market in the State; allow the Hawaii Property Insurance Association and the Hawaii Hurricane Relief Fund to contract with domestic private insurers to act as a servicing facility to provide affordable coverage options for property owners who meet certain requirements; require the Insurance Commissioner to conduct a study to develop long-term solutions to stabilize the property insurance market in the State; require reports to the Legislature; and appropriate funds.

While we appreciate the initiative to prioritize Hawaii's domestic insurance market and encourage long-term self-sustainability through awarding contracts to domestic insurers<sup>1</sup>, the Department notes that curtailing the potential pool of interested participants may discourage healthy market competition. Hawaii already has a limited number of property insurers writing coverage for condominium master policies. Should this group be limited to domestic insurers as defined in section 431:3-104, Hawaii Revised Statutes (HRS)—with no alternative option—the absence of competition could lead to higher fees and premium prices which will likely be passed on to individual unit owners. Additionally, given the volatile nature of the insurance market, insurers who currently possess the capacity to write coverage for condominium master policies may not always be able to offer this product. Furthermore, the HPIA and HHRF's ability to operate might also be affected if they are unable to contract with a domestic insurer. We propose that language be added to first prioritize domestic insurers, then allow non-domestic insurers in the admitted market and servicing facilities to be considered as alternative options.

We also note the importance of the HHRF having the flexibility to establish their own policy limits. Given the structural concerns and deferred maintenance of many buildings, the HHRF may need more latitude when issuing policies to the Association of Apartment Owners. Eliminating the current limit of \$750,000, section 9, page 33, lines 13 to 20 to page 34, lines 1 to 10, may assist the objectives of the HHRF.

Moreover, the Department supports the initiative to provide a stop-gap measure to help stabilize and support insurance availability for condominium associations that are unable to purchase adequate hurricane insurance for their respective condominium buildings that are in an insurable condition. The bill amends Chapter 431-P of the Hawaii Revised Statutes by giving the HHRF Board (Board) flexibility to determine the type of buildings it will extend coverage to as well as the amount of coverage offered. The Board is also given discretion to decide when an assessment mechanism should

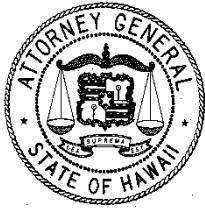
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<sup>1</sup> See Section 3: page 14, lines 5 to 19 to page 15, lines 1 to 19; page 16, lines 3 to 4;  
See Section 11: page 37, lines 12 to 21 to page 38, lines 1 to 13; and  
See Section 12: page 42, lines 9 to 10

be triggered, if necessary. Additionally, the bill repeals language regarding the special mortgage recording fee to facilitate a more broad-based assessment that is fairer across industries. We support these HHRF amendments. We also support the proposed amendments and appropriation to the HPIA.

The Department also supports the initiative to have the Insurance Commissioner conduct a study aimed at identifying and developing a long-term solution to stabilize the property insurance market in the State.

Thank you for the opportunity to testify.



**WRITTEN TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-THIRD LEGISLATURE, 2025**

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**ON THE FOLLOWING MEASURE:**

S.B. NO. 1044, S.D. 1, RELATING TO THE STABILIZATION OF PROPERTY INSURANCE.

**BEFORE THE:**

SENATE COMMITTEE ON WAYS AND MEANS

**DATE:** Wednesday, February 12, 2025      **TIME:** 10:01 a.m.

**LOCATION:** State Capitol, Room 211

**TESTIFIER(S):**      **WRITTEN TESTIMONY ONLY.**

(For more information, contact Andrew I. Kim,  
Deputy Attorney General, at 808-586-1180)

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Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purposes of this bill are to: (1) expand the powers of the Hawai'i Property Insurance Association (HPIA) and reactivate the Hawai'i Hurricane Relief Fund (HHRF) to help to stabilize the property insurance market in the State; (2) allow the HPIA and HHRF to contract with domestic private insurers to act as a servicing facility; (3) require the Insurance Commissioner to conduct a study; (4) appropriate moneys and (5) require reports to the Legislature.

The Department is concerned that this bill makes an appropriation from the general fund to provide a loan to the HPIA without any conditions on the terms of the loan. In the prior version of this bill, HPIA's plan of operation was required to "adopt procedures, guidelines, installment amounts, and a timetable for the repayment of any general fund moneys that are loaned to sufficiently capitalize the fund and deposited into the separate account within the Hawaii property insurance association reserve trust fund established pursuant to section 431:21-105(b)(9)". S.B. No. 1044, page 24, lines 3-9. Further, under section 431:21-106, Hawaii Revised Statutes, the HPIA needs approval of the plan of operation from the Insurance Commissioner, and if it fails to submit a suitable plan of operation, the commissioner has the authority to adopt rules necessary to carry out article 21. The framework under the prior version of this bill

allowed HPIA to establish how it was to pay back the loan, but gave the Insurance Commissioner the authority to approve or deny the procedure set forth by the HPIA.

In the current version, there is no requirement for HPIA to set up loan payment procedures, approval of the Insurance Commissioner, or terms setting forth the conditions of the loan. Therefore, the Department is concerned that general funds are being appropriated to provide a loan to the HPIA without any state control of how those funds are to be paid back. Accordingly, the Legislature could adopt the following amendments to address this issue:

- On page 22, after proposed section 431:21-106(c)(16), add a new paragraph, as follows: "(17) Shall adopt procedures, guidelines, installment amounts, and a timetable for the repayment of any general fund moneys that are loaned to the association."
- On page 64, after the sentence ending on line 12, add a new sentence, as follows: "Any moneys appropriated to the Hawaii property insurance associaton shall be repaid to the general fund in accordance with the procedures, guidelines, installment amounts, and timetable established for the repayment of any general fund moneys pursuant to section 431:21-106(c)(17)."

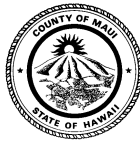
Thank you for the opportunity to provide comments.

Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins



Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

**COUNTY COUNCIL**  
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February 11, 2025

**LATE**

TO: The Honorable Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

FROM: Alice L. Lee  
Council Chair

A handwritten signature in cursive script, appearing to read "Alice L. Lee", is written over the printed name and title.

SUBJECT: **HEARING OF FEBRUARY 12, 2025; TESTIMONY IN SUPPORT OF SB1044, SD1, RELATING TO THE STABILIZATION OF PROPERTY INSURANCE**

I **support** this measure to address the insurance cost crisis by expanding the authority of State-established insurance entities to assist in stabilizing the property insurance market.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. Hawai'i residents are experiencing significant challenges in obtaining and maintaining insurance because of the instability of the property insurance market.
2. Insurance premiums have increased dramatically, making it difficult for residents to afford essentials.
3. This measure would provide a temporary mechanism to begin to stabilize the property insurance market in the State while long term solutions are sought

Thank you for your consideration.

ocs:proj:legis:25legis:25testimony:sb1044,sd1\_paf25-007(18)\_mkm



Testimony of  
**Gwen Yamamoto Lau**  
Executive Director  
**Hawai'i Green Infrastructure Authority**  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Wednesday, February 12, 2025, 10:01 AM  
State Capitol, Conference Room 211  
in consideration of  
**Senate Bill No. 1044, SD1**  
**RELATING TO THE STABILIZATION OF PROPERTY INSURANCE**

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to testify on SB 1044, SD1 relating to the stabilization of property insurance. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill which expands the Hawaii Property Insurance Association's authority to include the issuance of property insurance for condominiums and develop a long-term solution.

With approximately 55% of all condo units in Hawaii built prior to 1980<sup>1</sup>, there are a significant number of 40+-year old condominium projects requiring replacements, upgrades and retrofits, including re-piping, spalling, windows and railings and alarms<sup>2</sup>, all of which are costly and complicated. Providing a temporary insurance safety net for Condominium projects unable to access insurance, will provide Association leadership up to five years to plan, coordinate and implement necessary upgrades to increase its ability to obtain insurance in the condominium insurance marketplace.

Additionally, there are a number of condominium projects already on the secondary market's "unavailable list" negatively impacting over 30,000 units, due to inadequate insurance coverage and other issues, elevating the urgency of this situation.

Thank you for this opportunity to provide comments and testify in support of SB 1044, SD1.

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<sup>1</sup> "Why Hawaii's Aging Condos Can't Afford to Defer Maintenance," First Insurance Company of Hawaii, January 5, 2004.

<sup>2</sup> "A Condominium Can Last Hundreds of Years, But Not Its Components," Hawaii Business Magazine, August 31, 2020.



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**The State Legislature  
Senate Committee on Ways and Means  
Wednesday, February 12, 2025  
Conference Room 211, 10:01 a.m.**

TO: The Honorable Donovan Dela Cruz, Chair  
FROM: Keali'i S. López, State Director  
RE: Support for S.B. 1044, SD1 Relating to the Stabilization of Property Insurance

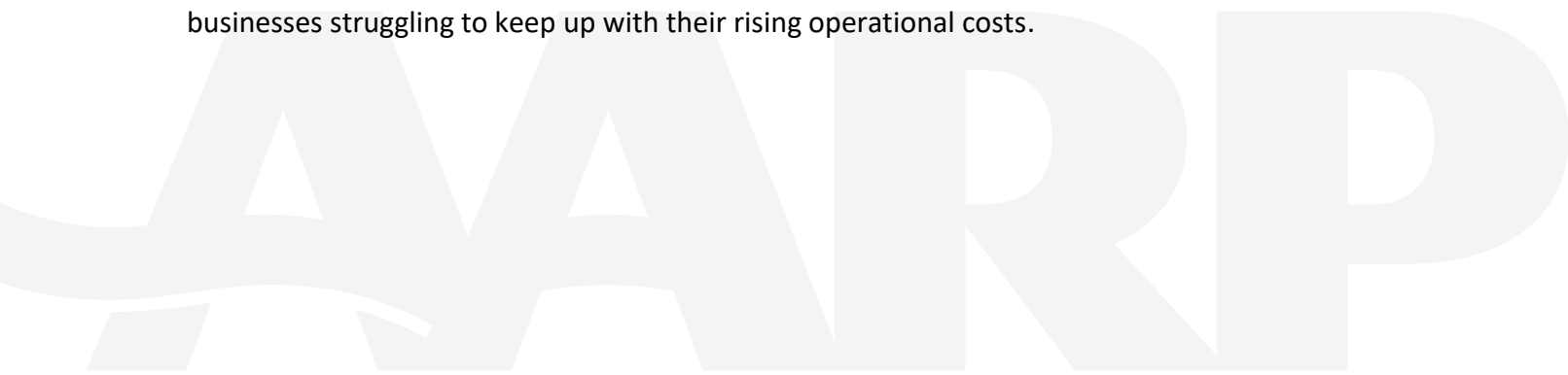
Aloha Chair Dela Cruz and Members of the Committee:

I am Keali'i Lopez, State Director of AARP Hawai'i. AARP is a nonprofit, nonpartisan, social impact organization dedicated to empowering people 50 and older to choose how they live as they age. We advocate at the state and federal level for the issues that matter most to older adults and their families. On behalf of our nearly 135,000 members statewide, thank you for the opportunity to share our testimony.

**AARP is in support of S.B. 1044, SD1 which aims to stabilize the property insurance market by expanding the powers of the Hawaii Property Insurance Association (HPIA) and reactivating the Hawaii Hurricane Relief Fund (HHRF).**

Hawaii's economy depends on insurance, which provides financial protection for consumers when accidents, natural disasters, and other risks become reality—something we know all too well here in our state. Since consumers' homes are the largest assets that most Americans will ever own, the financial protection provided by homeowners insurance is critically important to ensuring consumers' financial stability and security as well as community resilience. Additionally, many, many residents of Hawai'i live in condominiums, including 23,000 AARP members.

The availability of affordable property insurance has been shrinking, a situation further exacerbated by the Lahaina fire in 2023. Condominium owners have seen their policies increase exponentially, with rising deductibles creating significant financial burdens to retain coverage. These increases are not limited to condominium owners; single residences, businesses, and nonprofit organizations have also been impacted by rising insurance costs. This particularly poses financial hardships on older individuals with fixed incomes, as well as organizations and businesses struggling to keep up with their rising operational costs.





By expanding the powers of the HPIA, the bill could help stabilize the property insurance market, making it more resilient to fluctuations and crises. Furthermore, reactivating the HHRF could provide additional resources and coverage options for homeowners, especially in the event of hurricanes, which are a significant risk in Hawai'i. The HHRF can enhance disaster preparedness and response, ensuring quicker recovery and support for affected residents.

With a more stable market and additional resources, there could be a potential reduction in insurance premiums for property owners.

Thank you for the opportunity to testify in support of S.B. 1044, SD1.

## TESTIMONY OF MICHAEL ONOFRIETTI

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COMMITTEE ON WAYS AND MEANS  
Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair

Wednesday, February 12, 2025  
10:01 a.m.

### **SB 1044, SD1**

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee on Ways and Means, my name is Michael Onofrietti, ACAS, MAAA, CPCU, Senior Vice President, Chief Actuary & Chief Risk Officer for Island Insurance, Board Chair and Chairman of the Auto Policy Committee for Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit association of property and casualty insurance companies licensed to do business in Hawaii. Members companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council (HIC) **supports** this bill. This is a bill developed by the Joint Executive/Legislative Task Force on Property Insurance that was formed after the 2024 Legislature. HIC has been very active in serving on this and other working groups to provide professional input and guidance on issues that began to appear several years ago. Climate-driven insurance losses will continue into the future and our ability to appropriately manage these new, large and increasing risks is imperative. We believe climate-driven losses will impact housing and the financial markets in Hawaii, and could drive an even greater exodus from Hawaii.

This bill provides amendments to the two existing state funds, the Hawaii Property Insurance Association (HPIA) and the Hawaii Hurricane Relief Fund (HHRF) in order to update them from their originally enacted language more than 30 years ago. This bill has been amended from its last version in 2024 where it died and has been updated for changes over the past 12 months.

Stakeholders from all sectors impacted were involved in the drafting and amendments included in this bill. The bill may not be perfect in the eyes of an individual stakeholder, but HIC believes it is necessary to start somewhere. We also believe that legislative changes may be needed in the future as the impacts of climate change and our aging housing stock continue to evolve. The ability to adapt and move quickly is necessary now because of the dynamic nature of climate-driven losses.

We acknowledge and thank the leadership of all involved in this very important issue, and we will continue to contribute in a meaningful way towards a stabilizing solution.

Thank you for the opportunity to testify.



*Mortgage Bankers Association of Hawaii*  
*P.O. Box 4129, Honolulu, Hawaii 96812*

January 28, 2025

Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair  
Members of the Senate Committee on Ways and Means

Hearing Date: February 12, 2025  
Hearing Time: 10:01am  
Hearing Place: Hawaii State Capitol, Conference Room 211

Re: SB1044 SD-1 Relating to the Stabilization of Property Insurance

I am Victor Brock, representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate and service, or support the origination and servicing, of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation or rules, it is related only to mortgage lending and servicing.

#### **MBAH SUPPORTS SB 1044 SD-1 AS DRAFTED**

Since 2023, there has been a lack of sufficient hurricane insurance coverage for many condominium projects in Hawaii, and huge increases in premiums for other condo projects, due to caps on exposure instituted by global hurricane insurance reinsurers. The MBAH supports SB1044 SD-1 because it expands the authority of the Hawaii Hurricane Relief Fund ("HHRF") to issue hurricane insurance coverage directly to condominium homeowners' associations, an authority which was not provided in the original HHRF act and HRS 431P from 1993. Governor Green has been issuing emergency proclamations since August 2024 to provide this authority to the HHRF on a temporary basis. However, a permanent revision to HRS 431P, as addressed in this Bill, is needed.

Additionally, SB1044 SD-1 expands the powers of the Hawaii Property Insurance Association ("HPIA") to provide insurance directly to condominium associations for other types of insurance when a condo project has challenges obtaining coverage.

Both actions will expand availability of insurance for condos in the state and help stabilize the Hawaii property insurance market and provide more affordable options.

This bill is the product of the Governor's Condo and Property Insurance Task Force. Other options were discussed by the Task Force, but expansion of HHRF and HPIA powers were concluded to be the best and most expedient solutions to the immediate needs.

Fannie Mae and Freddie Mac, who are the predominate buyers of mortgages on the secondary market, require that the condominium building maintain hurricane insurance for 100% replacement coverage. Lenders who do not sell their mortgages on the secondary market also require 100% replacement coverage, as insufficient insurance poses financial risk to the lending institutions. Owners of units in condominium projects which do not maintain hurricane insurance for 100% of the estimated cost to rebuild will have difficulty refinancing or obtaining home equity financing secured by their units. They may also not be able to sell their units, unless they are able to procure a cash buyer, as buyers who need to finance all part of the purchase price may not be able to obtain financing altogether on these units. Expansion of the HHRF authority will allow condo projects to obtain hurricane insurance for 100% of the estimated replacement cost at a possibly more affordable price and as required to obtain a mortgage from the majority of lenders.

**We support SB1044 SD-1 as drafted.**

Thank you for the opportunity to present this testimony.

Victor Brock  
Mortgage Bankers Association of Hawaii



Testimony to the Senate Committee on Ways and Means

Wednesday, February 12, 2025

10:01 a. m.

State Capitol Conference Room 211 and via videoconference

Re: SB 1044 SD 1 Relating to the Stabilization of Property Insurance

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Honorable Members of the Senate Committee on Ways and Means:

I am Gary Simon, a member of the board of the Hawai'i Family Caregiver Coalition, whose mission is to improve the quality of life of those who give and receive care by increasing community awareness of caregiver issues through continuing advocacy, education, and training. I am offering testimony on behalf of the Hawai'i Family Caregiver Coalition.

The Hawai'i Family Caregiver Coalition supports SB 1044 SD 1, which expands the powers of the Hawai'i Property Insurance Association and reactivates the Hawai'i Hurricane Relief Fund to help to stabilize the property insurance market in the State; allows the Hawai'i Property Insurance Association and the Hawai'i Hurricane Relief Fund to contract with domestic private insurers to act as a servicing facility to provide affordable coverage options for property owners who meet certain requirements; and requires the Insurance Commissioner to conduct a study to develop long-term solutions to stabilize the property insurance market in the State.

We need to increase access to affordable property insurance by Hawaii's homeowners to help these homeowners recover when the next disaster strikes our islands.

We urge you to support SB 1044 SD 1, and we urge you to recommend its passage.

Mahalo for seriously considering the bill.

Very sincerely,

A handwritten signature in black ink that reads "Gary Simon".

Gary Simon



Email [garysimon@hawaii.rr.com](mailto:garysimon@hawaii.rr.com)



February 12, 2025

**The Honorable Donovan M. Dela Cruz, Chair**

Senate Committee on Ways and Means

State Capitol, Conference Room 211 & Videoconference

**RE: Senate Bill 1044, SD1, Relating to the Stabilization of Property Insurance**

**HEARING: Wednesday, February 12, 2025, at 10:01 a.m.**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** Senate Bill 1044, SD1, which expands the powers of the Hawaii Property Insurance Association and reactivates the Hawaii Hurricane Relief Fund to help to stabilize the property insurance market in the State. Allows the Hawaii Property Insurance Association and the Hawaii Hurricane Relief Fund to contract with domestic private insurers to act as a servicing facility to provide affordable coverage options for property owners who meet certain requirements. Requires the Insurance Commissioner to conduct a study to develop long-term solutions to stabilize the property insurance market in the State. Requires reports to the Legislature. Appropriates funds. Effective 7/1/2050.

Our state grapples with a significant challenge concerning insurance accessibility and rising costs. The market for reinsurance is global; therefore, storms, wildfires, and other natural disasters that strike anywhere in the world impact what homeowners and condo association must pay for coverage in Hawaii as well. Adding to the challenge is that condominium building premiums have risen so high that hundreds of condo associations are reducing their coverage to less than 100%. This has become an issue for home buyers and sellers as Fannie and Freddie Mac<sup>1</sup> require multifamily properties to include 100% windstorm coverage, which includes hurricanes.

We commend the Legislature for addressing this critical issue, as rising costs, accessibility, and coverage of insurance is an important issue facing our state. We believe measures like these are needed to help address our state's growing insurance challenges impacting both current and future homeowners.

Mahalo for the opportunity to provide testimony on this measure.

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<sup>1</sup> Fannie Mae. (n.d.). *Fannie Mae Multifamily Guide*. <https://mfguide.fanniemae.com/node/4516>

# HAWAII FINANCIAL SERVICES ASSOCIATION

c/o Marvin S.C. Dang, Attorney-at-Law

P.O. Box 4109

Honolulu, Hawaii 96812-4109

Telephone No.: (808) 521-8521

February 12, 2025

Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair  
and members of the Senate Committee on Ways & Means  
Hawaii State Capitol  
Honolulu, Hawaii 96813

Re: **S.B. 1044, S.D. 1 (Stabilization of Property Insurance)**  
**Decision Making Date/Time: Wednesday, February 12, 2025, 10:01 a.m.**

I am Marvin Dang, the attorney for the **Hawaii Financial Services Association** ("HFSA"). The HFSA is a trade association for Hawaii's consumer credit industry. Its members include Hawaii financial services loan companies (which make mortgage loans and other loans, and which are regulated by the Hawaii Commissioner of Financial Institutions), mortgage lenders, and financial institutions.

The HFSA **supports** this Bill.

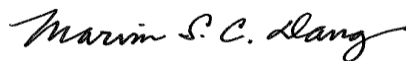
This Bill: (a) expands the powers of the Hawai'i Property Insurance Association and reactivates the Hawai'i Hurricane Relief Fund to help to stabilize the property insurance market in the State; (b) allows the Hawai'i Property Insurance Association and the Hawai'i Hurricane Relief Fund to contract with domestic private insurers to act as a servicing facility to provide affordable coverage options for property owners who meet certain requirements; (c) requires the Insurance Commissioner to conduct a study to develop long-term solutions to stabilize the property insurance market in the State; (d) requires reports to the Legislature; and (e) appropriates funds.

Hawaii's condominium buildings continue to confront challenges which impact their ability to obtain adequate property insurance at reasonable premiums to cover hurricane risks and non-hurricane risks. This situation negatively impacts condominium unit owners, home buyers, and others.

The intent of this Bill is to stabilize the property insurance market in Hawaii until market conditions improve.

We support the intent of this bill because it has the potential to enable condominium unit owners and buyers to: (a) protect their investment in their condominium units, and (b) have the option to apply for mortgage loans which comply with the federal requirements of Fannie Mae and Freddie Mac (government sponsored enterprises).

Thank you for considering our testimony.



MARVIN S.C. DANG

Attorney for Hawaii Financial Services Association

(MSCD/hfsa)





Testimony to the Senate Committee on Ways & Means  
February 12, 2025  
Conference Room 208

**LATE**

Testimony in Support of SB 1044, Relating to Stabilization of Property Insurance

To: The Honorable Donovan Dela Cruz, Chair  
The Honorable Sharon Moriwaki, Vice-Chair  
Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League (HCUL), the local trade association for 45 Hawaii credit unions, representing over 877,000 credit union members across the state.

HCUL offers the following testimony in support of SB 1044, Relating to the Stabilization of Property Insurance. This bill expands the powers of the Hawai'i Property Insurance Association and reactivates the Hawai'i Hurricane Relief Fund to help stabilize the property insurance market in the State.

SB 1044 is important to financial institutions in providing loans to buyers of condominium units. With the threat of destructive weather events and other natural disasters, this bill is necessary to protect property owners and consumers and to ensure that required property insurance remains affordable and attainable.

SB 1044 provides a comprehensive solution to the state's property insurance challenges, ensuring that residents, homeowners, and businesses have access to stable and affordable insurance options. By strengthening the HPIA and reactivating the HHRF, this bill will help preserve homeownership opportunities and protect mortgage lending in our state.

Thank you for the opportunity to provide comments on this issue.

**SENATE COMMITTEE ON WAYS AND MEANS**

**Senator Donovan M. Dela Cruz,  
Chair**

**Senator Sharon Y. Moriwaki,  
Vice Chair**

**HEARING**

**Wednesday, February 12, 2025, 10:01 AM**

**Re: SB1044, RELATING TO THE STABILIZATION OF PROPERTY INSURANCE.  
SD1**

**Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:**

**My name is Linda Dorset from Wailuku. Maui, and I am in STRONG SUPPORT of SB1044. SD1, which seeks to stabilize the property insurance market in the State; and require the Insurance Commissioner to conduct a study for a long-term solution.**

**The rising cost of property insurance has caused my Association of Apartment Owners to raise my Maintenance fee 300%. I also have heard the same story from my friends and neighbors. I have even heard from some that they are struggling just to get insured at all.**

**SB1044 would help stabilize the property insurance market in Hawaii, making it more affordable for me and all property owners.**

**I urge you to support SB1044. Mahalo for the opportunity to testify!**

**Linda Dorset**

**Wailuku, Maui**

THE SENATE  
KA ‘AHA KENEKOA

THE THIRTY-THIRD LEGISLATURE  
REGULAR SESSION OF 2025

<u><a href="#">COMMITTEE ON WAYS AND MEANS</a></u>
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair

NOTICE OF DECISION MAKING

SB 1044, SD 1 (“RELATING TO THE STABILIZATION OF PROPERTY INSURANCE”)

Date of Hearing: Wednesday, February 12, 2025

Good morning, Chair Dela Cruz, Vice Chair Moriwaki and members of the Committee on Ways and Means. My name is Carol Wakayama and I wish to submit testimony in STRONG SUPPORT of SB 1044, SD 1 (“RELATING TO THE STABILIZATION OF PROPERTY INSURANCE”).

I live in a condo property in the Punchbowl area. During the last quarter of 2024, I was very concerned because our property’s budget had not yet been finalized and owners could not yet be informed of how much more we would have to pay for our monthly property maintenance fees.

When I bumped into some of my property’s neighbors, we shared what we heard from various media reports (and comments from family/friends). There were rumors that some properties were faced with possibly raising their fees by as much as 50%. Frankly, we were terrified. Also, I was forced to delay the purchase or repair of some aging equipment - because I had no clue how financially prohibitive the increase might

SB 1044, SD 1 would potentially benefit every Hawaii resident. Without quick intervention, the cost of property insurance could balloon to the point where residents will not be able to afford to live in our homes or in the State.

For reasons mentioned above, I humbly request that S.B.1044 SD1 be considered for passage. Thank you.

**SB-1044-SD-1**

Submitted on: 2/11/2025 9:35:20 AM

Testimony for WAM on 2/12/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Support	Written Testimony Only

## Comments:

Chair Dela Cruz and Members of the Senate Ways and Means Committee. I and my wife Deborah are in support of SB1044 which will expand the powers of the Hawaii Property Insurance Association and reactivates the Hawaii Hurricane Relief Fund. We have recently experienced a dramatic increase in our insurance rates. We are hoping the actions proposed in this legislation will help to stabilize the property insurance market in Hawaii. Thank you for your support of SB1044.

**LATE**

**SB-1044-SD-1**

Submitted on: 2/12/2025 8:06:36 AM

Testimony for WAM on 2/12/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Denise Boisvert	Individual	Support	Written Testimony Only

Comments:

I STRONGLY SUPPORT this bill.

**LATE**

**SB-1044-SD-1**

Submitted on: 2/12/2025 8:14:39 AM

Testimony for WAM on 2/12/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Kim Jorgensen	Individual	Support	Written Testimony Only

Comments:

Please pass this bill.