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Honolulu, Hawaii

FEB 12 , 2020

RE: H.B. No. 2318

H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2318, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HURRICANE PREPAREDNESS,"

begs leave to report as follows:

The purpose of this measure is to increase hurricane preparedness in Hawaii by allocating a portion of the monies earned through interest from the Hurricane Reserve Trust Fund to provide grants under a Safe Home Program, which would assist financially qualified home owners with the installation of approved wind resistive devices for hurricane preparedness of their homes.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Emergency Management Agency, Hawaii Insurers Council, Zephyr Insurance Company, and one individual.

Your Committee finds that in the event of a wind-related disaster, such as a hurricane, one of the best practices to protect life and property is to fortify residential homes. Your Committee further finds that the Legislature previously incentivized the fortification of residential homes with the establishment of the Loss Mitigation Grant Program, which provided grants to cover part of the costs of installing wind resistive

devices. This program, which began in September 2006, awarded four hundred nineteen individual grants and four condominium association grants, totaling \$619,470 in total grant payout. The Loss Mitigation Grant Program was discontinued in 2008.

Your Committee notes that the Safe Home Program, as proposed by this measure, is a more robust program for ensuring the necessary fortification of homes than the Loss Mitigation Grant Program. However, concerns were raised as to whether the amounts of the grants were too generous and whether persons with higher incomes should be afforded the same level of grant as persons with lower incomes. Should your Committee on Finance consider this measure, your Committee respectfully requests that your Committee on Finance give consideration to these concerns.

Your Committee has amended this measure by:

- (1) Repealing the authorizing statutes for the discontinued Loss Mitigation Grant Program; and
- (2) 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 H.B. No. 2318, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2318, H.D. 2.

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

ROY M. TAKUMI, Chair

## State of Hawaii House of Representatives The THIRTIETH Legislature HSCR 308-20

## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.:	Committee Referral:	Date:	2/4/	120
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:   Pass, unamended (as is)  Pass, with amendments (HD)  Hold				
Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	/		<u>-</u>	
2. ICHIYAMA, Linda (VC)	✓			
3. AQUINO, Henry J.C.				/
4. BELATTI, Della Au				<b>,</b>
5 CADANITI A ADAKAWA DIA				
5. CABANILLA ARAKAWA, Rida				to part to
6. CACHOLA, Romy M.				<u> </u>
o. Cherobix, Romy IV.				
7. HAR, Sharon E.		ura i u sivi Pur Marija (ili. 1914).	<u> </u>	
8. KONG, Sam Satoru			<u> Mariantina di Langgarana da Lang</u> a	<b>V</b>
9. MIZUNO, John M.	<b>√</b>		Contraction of the Contraction o	Star att and a state of the sta
10. ONISHI, Richard H.K.	<b>√</b>			
11. MATSUMOTO, Lauren				V
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TOTAL (11)	1	D	D	4
The recommendation is:  Adopted  F joint referral,  committee acronym(s)  Adopted  did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) — Chief Clerk's Office Duplicate (Pink) – HMSO				