
A BILL FOR AN ACT

RELATING TO HURRICANE PREPAREDNESS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii is
2 susceptible to property loss due to hurricanes, tropical storms,
3 and strong winds. The best long-term solution for reducing
4 potential damage is the statewide use of wind resistive devices.
5 The legislature also finds that residents of the State must
6 inspect, repair, and reinforce their residences every year to
7 prepare for the possibility of a hurricane making landfall. The
8 inspections, repairs, and reinforcement of residences consume
9 needed resources from homeowners' budgets but result in
10 homeowners having more hurricane-resistant residences. This, in
11 turn, contributes to reduced hurricane damage repair costs and
12 may qualify homeowners for much-needed hurricane insurance
13 premium credits.

14 The legislature desires to establish a program to provide
15 grants to certain property owners for the installation of wind
16 resistive devices approved by the insurance commissioner that
17 will lessen the severity of property loss from strong winds.



1 The legislature further finds that the program will serve a
2 public purpose by protecting the health, safety, and welfare of
3 Hawaii residents. The installation of wind resistive devices
4 will help reduce the incidence and severity of personal injury
5 and property damage in the event of a hurricane, thereby
6 preserving human life and property values and minimizing
7 disruptions to the State's economy, business activity, and
8 delivery of public services. The program will also serve a
9 public purpose by stimulating economic growth and activity in
10 the State through the creation of business and employment
11 opportunities for the sale and installation of wind resistive
12 devices.

13 The legislature additionally finds that the hurricane
14 reserve trust fund was part of a new, creative, and flexible
15 mechanism to provide hurricane insurance to Hawaii residents in
16 the aftermath of hurricane Iniki. After its inception, the
17 hurricane reserve trust fund helped stabilize Hawaii's weak
18 hurricane insurance market, yielded the hurricane insurance
19 market to the private sector, and entered a state of dormancy
20 ready to be reactivated when needed.



1 The legislature finds that the hurricane reserve trust fund
2 has assets that currently generate approximately \$3,000,000
3 annually in interest, which is deposited into the general fund
4 and subject to appropriations by the legislature.

5 The purpose of this Act is to:

6 (1) Develop a new, creative, and flexible mechanism that
7 will increase hurricane preparedness in Hawaii through
8 a grant program that will financially assist qualified
9 homeowners with the installation of approved wind
10 resistive devices for hurricane preparedness of their
11 homes; and

12 (2) Appropriate funds.

13 SECTION 2. Chapter 431P, Hawaii Revised Statutes, is
14 amended by adding a new part to be appropriately designated and
15 to read as follows:

16 **"PART . SAFE HOME PROGRAM"**

17 **§431P-A Definitions.** As used in this part:

18 "Director" means the director of commerce and consumer
19 affairs.

20 "Mitigation" means actions undertaken to reduce losses that
21 may result from a hazard.



1 "Wind resistive devices" means devices and techniques, as
2 identified and determined in accordance with section 431P-F(b),
3 that increase a building's or structure's resistance to damage
4 from wind forces.

5 **\$431P-B Establishment of safe home program.** (a) The
6 commissioner shall develop and implement the safe home program
7 to encourage the installation of wind resistive devices. The
8 program may award matching or nonmatching grants to eligible
9 applicants based upon the availability of funds.

10 (b) This part shall not create an entitlement for property
11 owners or obligate the State in any way to fund the inspection
12 or retrofitting of residential property in the State.

13 **\$431P-C Safe home program trust fund.** (a) There is
14 established the safe home program trust fund. Moneys
15 transferred to the safe home program trust fund may be expended
16 by the commissioner to carry out the commissioner's duties and
17 obligations under this part.

18 (b) The safe home program trust fund may be used by the
19 commissioner to make grants authorized under this part.
20 Matching and nonmatching grants awarded to eligible applicants
21 under section 431P-E from the safe home program trust fund shall



1 not be subject to chapter 42F, 91, 103D, or 103F.

2 Administration of the safe home program, other than grant
3 awards, shall be subject to chapter 103D.

4 (c) The safe home program trust fund may be used by the
5 commissioner to pay for any administrative, personnel,
6 operational, and marketing costs associated with the safe home
7 program.

8 (d) Upon termination of the safe home program, any
9 balances in the safe home program trust fund shall revert to the
10 general fund.

11 **§431P-D Eligibility for safe home program.** To be eligible
12 for the safe home program, a residential property shall be:

- 13 (1) The applicant's primary legal residence;
14 (2) Owned and occupied by the applicant;
15 (3) A single-family residential property; and
16 (4) Covered by a current homeowners or dwelling insurance
17 policy that:

- 18 (A) Is issued by an insurer licensed in the State or
19 a surplus lines insurer, and is lawfully placed
20 by a broker authorized to do business in the
21 State; and



1 (B) Provides insurance coverage of the residential
2 property equal to or greater than the replacement
3 cost or functional replacement cost of the
4 residential property.

5 **§431P-E Matching and nonmatching grants.** (a) The
6 commissioner may award matching or nonmatching grants based upon
7 the availability of funds.

8 (b) To be eligible for a nonmatching grant award, the
9 applicant shall have an annual adjusted gross household income
10 that does not exceed eighty per cent of the median annual
11 adjusted gross income for households within the county in which
12 the applicant resides, as determined by the applicant's most
13 recent federal income tax return. The nonmatching grant award
14 shall not exceed \$6,500.

15 (c) An applicant having an annual adjusted gross household
16 income that exceeds eighty per cent of the median annual
17 adjusted gross income for households within the county in which
18 the applicant resides, as determined by the applicant's most
19 recent federal income tax return, may be eligible for a matching
20 grant award. The matching grant award shall not exceed \$5,200



1 and shall be matched on a dollar-for-dollar basis by the
2 applicant.

3 (d) The commissioner shall issue an annual bulletin that
4 sets forth the maximum grant award amounts based on the total
5 annual adjusted gross household income of the applicant and
6 adjusted for the applicant's family size relative to the county
7 area median income or state median family income, whichever is
8 higher, as published annually by the United States Department of
9 Housing and Urban Development.

10 (e) Any cost of the mitigation project that exceeds the
11 amount of the grant award shall be the responsibility of the
12 applicant.

13 **§431P-F Standards for the award of grants.** (a) Subject
14 to the availability of funds and the standards in this part,
15 grants for wind resistive devices shall be awarded by the
16 commissioner:

17 (1) On a first-come, first-served basis, as determined by
18 the commissioner; and

19 (2) For a wind resistive device or devices installed only
20 in a single-family residential dwelling.



(b) Grants shall be awarded for the installation of the following:

- (1) Roof deck attachment;
- (2) Secondary water barrier;
- (3) Roof covering;
- (4) Brace gable ends;
- (5) Reinforced roof-to-wall connections;
- (6) Opening protection;
- (7) Exterior doors, including garage doors;
- (8) Tie downs;
- (9) Improvements that mitigate problems associated with weakened trusses, studs, and other structural components; and
- (10) Any other wind resistive devices approved by the commissioner.

The commissioner, in the commissioner's sole discretion, may establish, amend, narrow, or expand by rule the definitions, descriptions, specifications, and requirements of the wind resistive devices.

(c) A grant may be made to an applicant only if the applicant has:



- 1 (1) Undergone an acceptable wind certification and
2 hurricane mitigation inspection in accordance with the
3 safe home program requirements;
- 4 (2) Filed a completed application form, as determined
5 solely by the commissioner, together with all
6 supporting documentation required by the commissioner;
- 7 (3) Installed the wind resistive device or devices in
8 accordance with the safe home program requirements;
- 9 (4) Provided any other information deemed necessary by the
10 commissioner; and
- 11 (5) Met all additional requirements needed to comply with
12 the safe home program as determined by the
13 commissioner.

14 **§431P-G Annual report.** The commissioner shall prepare an
15 annual report to the governor, legislature, and director on the
16 use of the safe home program trust fund that includes
17 statistical information on program participation. The report
18 shall be submitted no later than twenty days prior to the
19 convening of each regular session.

20 **§431P-H Rules.** (a) The commissioner may adopt rules
21 pursuant to chapter 91 for the purposes of this part.



1 (b) The commissioner may adopt interim rules, which shall
2 be exempt from chapters 91 and 201M, to carry out the purposes
3 of this part; provided that the interim rules shall remain in
4 effect until rules are adopted pursuant to subsection (a);
5 provided further that prior to adopting interim rules, the
6 commissioner shall hold at least one public hearing and provide
7 thirty day notice of the public hearing."

8 SECTION 3. Section 431P-16.5, Hawaii Revised Statutes, is
9 amended to read as follows:

10 **"§431P-16.5 Immunity.** There shall be no cause of action,
11 claim for damages or relief, charge, or any other liability [~~of~~
12 ~~any kind whatsoever~~] created against the State, the Hawaii
13 hurricane relief fund, the commissioner, or their respective
14 agents, employees, or board, by[~~7~~] or relating to the loss
15 mitigation grant program[~~-~~] or the safe home program."

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2022-2023 to be
19 deposited into the safe home program trust fund established
20 under section 2 of this Act.



1 SECTION 5. There is appropriated out of the safe home
2 program trust fund the sum of \$ or so much thereof as
3 may be necessary for fiscal year 2022-2023 for the establishment
4 and implementation of the safe home program established under
5 section 2 of this Act; provided that any unexpended funds shall
6 lapse to the general fund in fiscal year 2023-2024.

7 The sum appropriated shall be expended by the department of
8 commerce and consumer affairs for the purposes of this Act.

9 SECTION 6. There is appropriated out of the compliance
10 resolution fund established pursuant to section 26-9(o), Hawaii
11 Revised Statutes, the sum of \$ or so much thereof as
12 may be necessary for fiscal year 2022-2023 to establish and hire
13 one full-time equivalent (1.0 FTE) permanent position, not
14 subject to chapter 76, Hawaii Revised Statutes, within the
15 insurance division of the department of commerce and consumer
16 affairs to implement and administer the safe home program.

17 The sum appropriated shall be expended by the department of
18 commerce and consumer affairs for the purposes of this Act.

19 SECTION 7. In codifying the new sections added by section
20 2 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating
2 the new sections in this Act.

3 SECTION 8. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 9. This Act shall take effect on July 1, 2050.

6



Report Title:

Safe Home Program; Safe Home Program Trust Fund; Wind Mitigation; Hawaii Hurricane Relief Fund; Appropriation

Description:

Establishes the safe home program to provide matching and nonmatching grants for installation of wind resistive devices to single-family, owner-occupied, residential properties in certain circumstances. Creates a permanent position within the insurance division of the department of commerce and consumer affairs to implement and administer the safe home program. Appropriates funds. Effective 7/1/2050. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

