

STAND. COM. REP. NO.

244

Honolulu, Hawaii

FEB 06 , 2025

RE: H.B. No. 1502
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 Public Safety, to which was referred H.B. No. 1502 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to establish requirements for property and casualty insurance policies for pre- and post-disaster protections.

Your Committee received testimony in support of this measure from the Council for Native Hawaiian Advancement; Ho'ōla iā Mauiakama Disaster Long Term Recovery Group; and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Insurers Council. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and National Association of Mutual Insurance Companies.

Your Committee finds that the overwhelming majority of insurance policyholders who were affected by the Maui wildfires of August 2023 were underinsured and face financial uncertainty about their ability to rebuild. Your Committee further finds that this measure addresses this problem by establishing pre- and post-disaster protections for policyholders. This measure is a

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critical step in learning from previous disasters to assist survivors of future disasters with recovery.

Your Committee has amended this measure by:

- (1) Deleting the preamble;
- (2) Deleting various provisions related to notice of cancellation or nonrenewal; insurance disclosures; grace periods; adjustment of premium policy limits post disaster; close of claims and extensions; inquiries; and reductions in time to file a claim;
- (3) Modifying requirements for property and casualty insurance policies for pre- and post- disaster protections regarding:
 - (A) Claims for additional living expenses under homeowners insurance policies during states of emergency;
 - (B) A total loss of contents as well as contents coverage during states of emergency; and
 - (C) Minimum requirements for losses due to emergencies;
- (4) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (5) 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 Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1502, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Public Safety,

Della A. Belatti

DELLA AU BELATTI, Chair



