

Honolulu, Hawaii

**FEB 13 2025**RE: S.B. No. 802  
S.D. 1

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

Sir:

Your Committee on Commerce and Consumer Protection, to which  
was referred S.B. No. 802 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require insurers to provide advance written notice to policyholders and the Insurance Commissioner, with reasonable explanations and primary factors, of any policy cancellation, non-renewal, or proposed premium increase, if, upon renewal, premiums are scheduled to increase more than ten percent;
- (2) Require insurers that provide property insurance to file rate schedules and underlying criteria with the Insurance Commissioner;
- (3) Require the Insurance Commissioner to conduct periodic reviews of insurance rates and submit annual reports to the Legislature;
- (4) Require the Insurance Commissioner to establish a Public Reporting and Dispute Resolution Program to handle complaints and appeals regarding premium increase; and



- (5) Require insurers to provide premium discounts or credits to policyholders that implement disaster risk mitigation measures.

Your Committee received testimony in support of this measure from three individuals.

Your Committee received testimony in opposition to this measure from the Hawaii Insurers Council, State Farm, National Association of Mutual Insurance Companies, and American Property Casualty Insurance Association.

Your Committee received comments on this measure from the Insurance Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that insurance rates for property owners in the State have recently significantly increased. For properties like condominium associations that rely on assessments from owners to pay for costs related to insurance policies, insurers who increase rates with little to no warning leave associations susceptible to not being able to afford the insurance premiums or plan for any future adjustments. Additionally, very little justification is provided for why the rates increase, especially as they pertain specifically to the insured property's condition. This measure therefore increases transparency in rate pricing and requires advance notice in the event a premium increases by a certain percentage.

Your Committee has amended this measure by:

- (1) Requiring insurers to provide the insured with written notice if, upon renewal, the policyholder's premium will increase by ten percent or more;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to



this report, your Committee is in accord with the intent and purpose of S.B. No. 802, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 802, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

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



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JARRET KECHOKALO, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 802</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN, WAM/JR</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/7/25</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
<b>TOTAL</b>	5	0	0	0
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-top: 10px;">Carol Fukunaga</div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

**\*Only one measure per Record of Votes**