

Honolulu, Hawaii

APR 02 2025

RE: S.R. No. 125

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.R. No. 125 entitled:

"SENATE RESOLUTION REQUESTING THE INSURANCE COMMISSIONER TO PRODUCE A DETAILED REPORT REGARDING THE STATE OF THE PRIVATE PROPERTY INSURANCE INDUSTRY IN HAWAI'I,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Insurance Commissioner to produce a detailed report regarding the state of the private property insurance industry in Hawaii.

Your Committee received testimony in support of this measure from one individual.

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

Your Committee finds that there has been an increase in the number of natural disasters in the State, including hurricanes, wildfires, and volcanic eruptions, all of which are causing widespread damage and financial strain on residents. Your Committee further finds that these natural disasters have led to a rise in insurance premiums in the State, with some insurers either raising their rates significantly or withdrawing from the insurance market altogether. Additionally, your Committee finds that an effective response to address these concerns requires a thorough understanding of the current state of the private



insurance market in Hawaii, including the financial health of insurers, factors contributing to the rising premiums, and the potential impact of more insurers withdrawing from the State. Your Committee therefore believes that this measure will help the State prepare for the possibility of a universal withdrawal of private insurers from the property insurance market, as well as explore the feasibility of the State to enter the market as a primary property insurance provider.

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 concurs with the intent and purpose of S.R. No. 125 and recommends its adoption.

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



JARRETT KEOHOKALO, Chair



