

STAND. COM. REP. NO. 1639

Honolulu, Hawaii

APR 02 2025

RE: S.R. No. 178
S.D. 1

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

Sir:

Your Committees on Commerce and Consumer Protection and
Agriculture and Environment, to which was referred S.R. No. 178
entitled:

"SENATE RESOLUTION ENCOURAGING HAWAII INSURERS AND THE HAWAII
PROPERTY INSURANCE ASSOCIATION TO REDUCE INSURANCE COSTS ON
LOCAL RESIDENTS BY PURSUING SUBROGATION CLAIMS AGAINST
POLLUTERS KNOWINGLY RESPONSIBLE FOR WORSENING CLIMATE IMPACTS
AFFECTING HAWAII INSURANCE RATES,"

beg leave to report as follows:

The purpose and intent of this measure is to encourage Hawaii
insurers and the Hawaii Property Insurance Association to reduce
insurance costs on local residents by pursuing subrogation claims
against polluters knowingly responsible for worsening climate
impacts affecting Hawaii insurance rates.

Your Committees received testimony in support of this measure
from the Center for Climate Integrity, Kauai Climate Action
Coalition, Climate Protectors Hawaii, Environmental Caucus of the
Democratic Party of Hawai'i, 350Hawaii.org, and forty-two
individuals.

Your Committees received comments on this measure from the
Hawaii Cattlemen's Council. Inc.



Your Committees find that the increase in climate-related disasters and risks have contributed significantly to the destabilization of the State's insurance industry, particularly in the property and casualty insurance sector. This has led to a rise in insurance premiums and non-renewal rates. Your Committees also find that insurers have previously pursued claims against those responsible for the national opioid epidemic, as well as big tobacco companies. Similarly, claims against parties responsible for the current state of Hawaii's insurance market should also be pursued to ensure that the burden of financial loss does not fall solely on the policyholders and taxpayers. By encouraging the Hawaii Property Insurance Association to subrogate claims on behalf of its policyholders to recover losses, this measure demonstrates the State's interest in the stability of Hawaii's insurance market and an effort to limit costly rate hikes for property owners who have no other insurance options.

Your Committees have amended this measure by:

- (1) Clarifying that Hawaii insurers and the Hawaii Property Insurance Association are encouraged to pursue subrogation claims against polluters who knowingly engaged in misleading and deceptive practices regarding the connection between their products and climate change;
- (2) Amending its title accordingly; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 178, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 178, S.D. 1.



Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and
Agriculture and Environment,



MIKE GABBARD, Chair



JARRETT KECHOKALOLE, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:* SR 178	Committee Referral: CPN/AEN	Date: 4-1-25
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RICHARDS, III, Herbert M. "Tim" (VC)	X			
DECOITE, Lynn				X
RHOADS, Karl	X			
AWA, Brenton	X			
TOTAL	4			1

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature


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