

JAN 23 2026

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# A BILL FOR AN ACT

RELATING TO FIREARMS.

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

1       SECTION 1. The legislature finds that firearm-related  
2 injuries impose substantial direct and indirect costs on the  
3 State, including costs for emergency medical response, hospital  
4 and trauma care, long-term rehabilitation, mental health  
5 treatment, lost productivity, and survivor support. Due to the  
6 State's geographic isolation, limited trauma-care capacity, and  
7 reliance on public health systems, these costs are  
8 disproportionately borne by taxpayers, public hospitals, and  
9 families.

10       The legislature further finds that existing compensation  
11 programs, including the crime victim compensation commission,  
12 are limited in scope and operate primarily as payers of last  
13 resort, resulting in delayed or incomplete coverage for many  
14 firearm-related injuries.

15       The purpose of this Act is to establish a prospective,  
16 no-fault, public health financing mechanism that allocates a  
17 portion of the public costs of firearm injuries to firearm



1 manufacturers as a condition of participation in the State's  
2 market, without imposing civil liability, criminal penalties, or  
3 fault for third-party misuse of firearms.

4 This Act is intended to operate pursuant to the State's  
5 police power to protect public health, safety, and welfare, and  
6 shall be construed as economic regulation, not punishment.

7 SECTION 2. Chapter 134, Hawaii Revised Statutes, is  
8 amended by adding a new part to be appropriately designated and  
9 to read as follows:

10 **"PART . HAWAII FIREARM INJURY RESTITUTION FUND**

11 **§134-A Definitions.** As used in this part:

12 "Department" means the department of health.

13 "Firearm injury" means any bodily injury or death caused by  
14 the discharge of a firearm, including accidental,  
15 self-inflicted, criminal, or otherwise unintended injury.

16 "Firearm manufacturer" means any person or entity engaged  
17 in the commercial manufacture of a finished firearm intended for  
18 sale or distribution.

19 "Fund" means the Hawaii firearm injury restitution fund  
20 established under section 134-B.



1 "Market participation" means the sale, distribution, or  
2 placement of firearms into the stream of commerce in the State.

3 "Risk category" means a firearm product classification  
4 established pursuant to section 134-D based on objective product  
5 characteristics associated with aggregate firearm injury costs.

6 **§134-B Hawaii firearm injury restitution fund;**  
7 **established.** (a) There is established the Hawaii firearm  
8 injury restitution fund to be administered by the department.

9 (b) The fund shall operate as a first payer for eligible  
10 firearm injury-related expenses, including medical care, mental  
11 health treatment, rehabilitation, prescription medications, lost  
12 wages, funeral and burial expenses, and other costs determined  
13 by rule.

14 (c) Payment of benefits from the fund shall not be  
15 conditioned on fault, criminal liability, or the outcome of any  
16 civil or criminal proceeding.

17 **§134-C Firearm injury cost recovery license.** (a) No  
18 firearm manufacturer shall sell or distribute firearms in the  
19 State unless the manufacturer holds a valid firearm injury cost  
20 recovery license issued by the department.



1 (b) Issuance and renewal of a license under this section  
2 shall be conditioned on participation in the fund and payment of  
3 contributions required under section 134-D.

4 (c) A license issued under this section constitutes  
5 economic regulation of market participation and shall not be  
6 construed as a penalty or sanction.

7 **\$134-D Category-based risk; manufacturer contributions.**

8 (a) The department shall establish firearm risk categories by  
9 rule, based on objective product characteristics and aggregated  
10 public-health cost data.

11 (b) Each risk category shall be assigned a contribution  
12 rate reflecting its proportional share of statewide firearm  
13 injury costs.

14 (c) All firearm manufacturers participation in the same  
15 risk category shall be subject to the same contribution formula,  
16 applied uniformly.

17 (d) Contributions shall be calculated prospectively and  
18 may be capped based on a reasonable percentage of in-state sales  
19 revenue, as determined by rule.



(e) The department shall conduct periodic actuarial reviews and adjust contribution rates as necessary to ensure fiscal sufficiency, predictability, and fairness.

**§134-E Data collection and privacy.** (a) State and county law enforcement agencies shall provide the department with aggregated firearm injury data necessary for actuarial and public-health analysis.

(b) Public disclosure shall be limited to anonymized and aggregated data and shall not identify individual firearm manufacturers in connection with specific injury incidents.

**§134-F Compensation programs; coordination.** (a) Benefits paid from the fund shall be coordinated with other public and private benefits to avoid duplication of payments.

(b) Nothing in this part shall limit eligibility for compensation under chapter 351 or any other applicable law.

**§134-G Federal Law; compliance.** (a) Nothing in this part shall be construed to:

- (1) Impose civil liability on a firearm manufacturer;
- (2) Regulate firearm possession or ownership; or
- (3) Assign fault or penalize criminal misuse of a firearm by a third party.



(b) This part shall be construed to be consistent with title 15 United States Code sections 7901 through 7903.

**\$134-H Enforcement.** (a) The department shall deny, suspend, or revoke a firearm injury recovery license for noncompliance after notice and opportunity for hearing.

(b) Remedies under this part shall be limited to licensing actions and administrative penalties authorized by rule.

**\$134-I Administrative procedures.** (a) The department may adopt rules pursuant to chapter 91 for the purposes of this part, including rules governing risk category classification, contribution calculations, audits, verification procedures, and administrative appeals.

(b) A firearm manufacturer may contest risk category placement, mathematical calculation of contributions, or compliance determinations through administrative review.

(c) Proceedings under this part shall be administrative in nature and shall not constitute adjudications of civil or criminal liability."

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or



1 applications of the Act that can be given effect without the  
2 invalid provision or application, and to this end the provisions  
3 of this Act are severable.

4 SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY: Karl Rhoads



# S.B. NO. 2720

**Report Title:**

Firearm Injury; Cost Recovery; Restitution Fund

**Description:**

Establishes a Hawai'i Firearm Injury Restitution Fund funded by licenses firearm manufacturers as a condition of market participation. Provides no-fault, first-payer coverage for medical and related costs arising from firearm injuries.

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

