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# A BILL FOR AN ACT

RELATING TO LAVA ZONE INSURANCE.

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

1           SECTION 1. (a) The insurance division of the department  
2 of commerce and consumer affairs, in consultation with actuaries  
3 with relevant experience, shall conduct a study to:

4           (1) Identify mechanisms to bring more insurers into the  
5 market to provide additional options for homeowners in  
6 lava zones 1 and 2; and

7           (2) Determine the subsidy required to lower homeowners  
8 insurance premium payments for homeowners in lava  
9 zones 1 and 2 to rates similar to those prior to the  
10 downturn in the insurance market.

11           (b) The insurance division of the department of commerce  
12 and consumer affairs shall submit a report of findings resulting  
13 from the study to the legislature no later than twenty days  
14 prior to the convening of the regular session of 2027.

15           (c) For the purposes of this Act, the following  
16 definitions shall apply:



1 "Lava zone 1" means the land area classified by the United  
2 States Geological Survey as lava flow hazard zone 1 and includes  
3 volcanic vents in the summits and rift zones of Kilauea and  
4 Mauna Loa where vents have been repeatedly active in historic  
5 time.

6 "Lava zone 2" means the land area classified by the United  
7 States Geological Survey as lava flow hazard zone 2 and includes  
8 areas adjacent to and downslope of zone 1.

9 SECTION 2. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ or so  
11 much thereof as may be necessary for fiscal year 2026-2027 for  
12 the insurance division of the department of commerce and  
13 consumer affairs to conduct a study on the homeowners insurance  
14 market for lava zones 1 and 2.

15 The sum appropriated shall be expended by the department of  
16 commerce and consumer affairs for the purposes of this Act.

17 SECTION 3. This Act shall take effect on July 1, 3000.



**Report Title:**

DCCA; Insurance Division; Study; Homeowners Insurance; Lava Zones; Report; Appropriation

**Description:**

Requires the Insurance Division of the Department of Commerce and Consumer Affairs to conduct a study on the homeowners insurance market for lava zones 1 and 2. Requires a report to the Legislature. Appropriates funds. Effective 7/1/3000.  
(SD2)

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