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# A BILL FOR AN ACT

RELATING TO THE STRENGTHEN HAWAII HOMES PROGRAM.

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

1 SECTION 1. This Act shall be known and may be cited as the  
2 "Strengthen Hawaii Homes Act".

3 SECTION 2. The legislature finds that state homeowners are  
4 struggling to secure and maintain affordable property insurance  
5 due to more frequent catastrophes and tighter underwriting by  
6 insurers. The legislature further finds that other states have  
7 improved insurance affordability and availability in the face of  
8 similar challenges by pairing targeted mitigation assistance  
9 with insurance-incentive frameworks tied to recognized  
10 resilience standards. Oklahoma's Strengthen Oklahoma Homes Act  
11 and the Strengthen Alabama Homes program in Alabama have been  
12 linked to premium relief and improved market stability, while  
13 greatly increasing the resiliency of residential properties.  
14 Western states, including California and Colorado, have also  
15 enacted similar programs that reduce wildfire risk and support  
16 insurance coverage availability. The legislature further finds  
17 that the National Council of Insurance Legislators adopted the



1 Strengthen Homes Program Model Act as a replicable policy model,  
2 reflecting a growing consensus that verified, standards-based  
3 mitigation can support more stable property insurance markets.

4 The legislature also finds that effective mitigation  
5 assistance in the State must occur at scale. Many of the  
6 State's older, single-wall plantation homes are concentrated in  
7 neighborhoods where wildfire and wind-driven hazards can spread  
8 rapidly from structure to structure. Risk reduction and other  
9 insurance benefits sought by individual homeowners may be  
10 limited or delayed until a substantial share of nearby homes are  
11 also hardened and the expected loss in the surrounding  
12 neighborhood declines. The legislature finds, however, that  
13 fiscal uncertainty and the scale of need in the State requires a  
14 robust, partnership-based approach, including private,  
15 nonprofit, federal, state, and county support, to reach older  
16 housing stock and income-qualified households that are least  
17 able to self-fund upgrades.

18 Accordingly, the purpose of this Act is to stabilize and,  
19 where feasible, reduce property insurance costs and to improve  
20 insurance availability in the State by establishing a strengthen  
21 Hawaii homes program that:



1 (1) Prioritizes and incentivizes verified, standards-based  
2 mitigation for older and income-qualified homes to  
3 reduce risk and insured losses; and

4 (2) Leverages diversified public-private funding and  
5 delivery partnerships, including private, nonprofit,  
6 federal, state, and county resources, to maximize  
7 participation and implementation statewide.

8 SECTION 3. The Hawaii Revised Statutes is amended by  
9 adding a new chapter to be appropriately designated and to read  
10 as follows:

11 **"CHAPTER**

12 **STRENGTHEN HAWAII HOMES PROGRAM**

13 § -1 **Definitions.** As used in this chapter:

14 "Contractor" has the same meaning as defined in section  
15 444-1.

16 "Department" means the department of land and natural  
17 resources.

18 "Mitigation project" means the construction or retrofitting  
19 of insurable property to mitigate potential future damage due to  
20 fire.

21 "Program" means the strengthen Hawaii homes program.



1           §   -2   **Strengthen Hawaii homes program; established.**   (a)

2   There is established the strengthen Hawaii homes program within  
3   the department of land and natural resources for administrative  
4   purposes to provide grants to construct or retrofit insurable  
5   property to resist loss due to fire.

6           (b)   Under the program, the department shall:

7           (1)   Apply for financial grants and other types of funding  
8               for mitigation projects;

9           (2)   Establish standards for mitigation projects, including  
10               designs sufficient to substantially mitigate future  
11               damage due to fire; and

12           (3)   Generate a list of certified assessors to provide to  
13               applicants for grants and other types of funding.

14           (c)   Under the program, the department may make grants  
15   available for mitigation projects to residential property owners  
16   and nonprofit entities; provided that any nonprofit entity that  
17   accepts a grant from the department shall administer the grant  
18   subject to the same regulations as the department and shall  
19   provide financial documentation to the department in a timely  
20   manner when requested.



1 (d) All mitigation projects shall have all required local  
2 permits and pass all applicable assessments required under the  
3 applicable county building code and the Insurance Institute for  
4 Business and Home Safety Fortified Homes Program, or a similar  
5 organization as determined by the department in collaboration  
6 with state insurers.

7 (e) The department may adopt rules pursuant to chapter 91,  
8 necessary for the purposes of this chapter. Any entity  
9 providing grants or other types of funding to the program may  
10 adopt rules and guidelines under which the grants or other types  
11 of funding may be used; provided that the rules and guidelines  
12 do not violate state or federal law.

13 (f) Nothing in this chapter shall be construed to create  
14 an entitlement for property owners or an obligation by the State  
15 to fund the assessment, construction, or retrofitting of any  
16 insurable property in the State.

17 **§ -3 Grants for residential property owners;**

18 **eligibility.** (a) Residential property owners may apply for a  
19 grant under the program; provided that the grant shall only be  
20 used for mitigation projects. Eligibility requirements for



1 awarding grants shall be established by the department and shall  
2 include but not be limited to the following:

3 (1) The residential property owner shall:

4 (A) Claim primary residence in a county where grants  
5 may be approved;

6 (B) Provide proof of a valid, current insurance  
7 policy for the insurable property; and

8 (C) Pay the fee for the assessor;

9 (2) The property to be mitigated shall be:

10 (A) An owner-occupied, single-family, primary  
11 residence that is not a condominium or mobile  
12 home; or

13 (B) A long-term rental property that is the primary  
14 residence of the tenant with a lease of one year  
15 or longer; and

16 (3) An assessor, who is certified by the organization  
17 identified pursuant to section -2(d) and selected  
18 from a list provided by the department shall:

19 (A) Prequalify the insurable property as capable of  
20 mitigation;



1 (B) Identify all improvements required to achieve the  
2 standard approved by the department; and

3 (C) Certify the mitigation project has achieved the  
4 standard approved by the department.

5 (b) Grant applications shall be filed electronically with  
6 the department in the form and manner prescribed by the  
7 department, along with any applicable transaction fees.

8 (c) Documents, materials, and other information submitted  
9 to the department by residential property owners or insurance  
10 companies in support of a grant application shall be  
11 confidential and privileged information, shall not be subject to  
12 open records requests, subpoena, or discovery, or admissible in  
13 evidence in any private civil action.

14 (d) Any mitigation project involving retrofitting shall be  
15 completed within six months of the date that the residential  
16 property owner receives notice of the approval of the grant for  
17 the mitigation project. Failure to complete the project on time  
18 may result in the forfeiture of the grant. Extensions may be  
19 given by the department under circumstances the department deems  
20 appropriate.



1 (e) Grants shall only be paid to the residential property  
2 owner by the department or an agency it designates upon  
3 submission of the certification of standard pursuant to  
4 subsection (a)(3)(C) to the department.

5 (f) Applications for grants shall be accepted on a first-  
6 come, first-served basis within each income tier established by  
7 the department, in consultation with the insurance commissioner  
8 and the office of the state fire marshal, with priority given  
9 to:

- 10 (1) Lower-income applicants;
- 11 (2) Applicants who live in locations that have a higher  
12 susceptibility to catastrophic fires, based on  
13 historical data; and
- 14 (3) Applicants meeting any other criteria the department  
15 deems appropriate.

16 (g) The department may conduct a random inspection of  
17 records, financial documentation, and insurable property or  
18 mitigation projects awarded a grant under the program for the  
19 purposes of detecting fraud.

20 § -4 **Contractor; eligibility.** (a) A residential  
21 property owner awarded a grant under this chapter shall hire a



1 contractor who meets the eligibility criteria contained in  
2 subsection (d).

3 (b) The department shall not endorse or otherwise provide  
4 preferential treatment to any contractor.

5 (c) A residential property owner shall be responsible for  
6 any amount owed to a contractor that exceeds the amount of a  
7 grant awarded under this chapter.

8 (d) A contractor eligible to work on a mitigation project  
9 under the program shall, at a minimum:

- 10 (1) Maintain accurate contact information and a current  
11 copy of all applicable certificates, licenses, and  
12 proof of insurance coverages with the department;
- 13 (2) Be free from all disciplinary action by the  
14 contractors license board;
- 15 (3) Be registered with the department of commerce and  
16 consumer affairs to do business in the State;
- 17 (4) Have an active general liability policy with \$500,000  
18 in liability coverage;
- 19 (5) Have workers' compensation and employer's liability  
20 insurance in accordance with and to the extent  
21 required by law;



- 1 (6) Agree to follow all procedures and rules for the
- 2 program as established by the department;
- 3 (7) Report any potential conflict of interest to the
- 4 department before any work commences;
- 5 (8) Not have an additional financial interest in any
- 6 mitigation project awarded a grant under the program
- 7 for which the contractor performs work besides the
- 8 payment received by a residential property owner from
- 9 the department; and
- 10 (9) Not make assessments for any mitigation project
- 11 awarded a grant under the program.

12 § -5 **Assessor; eligibility.** An assessor eligible to  
13 assess a mitigation project under the program shall, at a  
14 minimum:

- 15 (1) Maintain accurate contact information and a current
- 16 copy of all applicable certificates, licenses, and
- 17 proof of insurance coverages with the department;
- 18 (2) Be in good standing with and certified by the
- 19 organization identified pursuant to section -2(d);
- 20 (3) Be registered with the department of commerce and
- 21 consumer affairs to do business in the State;



- 1 (4) Agree to follow all procedures and rules for the
- 2 program as established by the department;
- 3 (5) Report any potential conflict of interest to the
- 4 department before any assessment commences;
- 5 (6) Not have a financial interest in any mitigation
- 6 project awarded a grant under the program for which
- 7 the assessor performs an assessment;
- 8 (7) Not be a contractor or a supplier of materials,
- 9 products, or systems installed for any mitigation
- 10 project awarded a grant under the program for which
- 11 the assessor performs an assessment; and
- 12 (8) Not be the sales agent for any mitigation project
- 13 awarded a grant under the program.

14 **§ -6 Strengthen Hawaii homes revolving fund.** (a) There  
15 is established in the state treasury the strengthen Hawaii homes  
16 revolving fund, into which shall be deposited:

- 17 (1) Federal grants and other types of federal funding;
- 18 (2) Donations and other types of funding from private,
- 19 nonprofit, state, and county entities; and
- 20 (3) Appropriations made by the legislature to the fund.



1 (b) Moneys in the strengthen Hawaii homes revolving fund  
2 shall be used only for the purposes of this chapter.

3 § -7 **Reports.** The department shall submit a report to  
4 the legislature no later than twenty days prior to the convening  
5 of each regular session. The report shall include but not be  
6 limited to:

7 (1) A list of all grant recipients, mitigation projects,  
8 contractors, and assessors related to the program;

9 (2) All revenues, expenditures, encumbrances, and ending  
10 balances of the strengthen Hawaii homes revolving  
11 fund; and

12 (3) Any findings and recommendations, including any  
13 proposed legislation;

14 provided that all confidential, personal, and proprietary  
15 information shall be redacted prior to submission."

16 SECTION 4. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$1,000,000 or so much  
18 thereof as may be necessary for fiscal year 2026-2027 for the  
19 establishment of the strengthen Hawaii homes program and the  
20 strengthen Hawaii homes revolving fund.



- 1           The sum appropriated shall be expended by the department of
- 2 land and natural resources for the purposes of this Act.
- 3           SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

DLNR; Strengthen Hawaii Homes Program; Fire Mitigation; Grants;  
Rules; Single-Family Homes; Long-Term Rental Properties;  
Residential Property Owners; Insurance; Contractors; Assessors;  
Mitigation Projects; Strengthen Hawaii Homes Revolving Fund;  
Report; Appropriation

**Description:**

Establishes the Strengthen Hawaii Homes Program under the Department of Land and Natural Resources to award grants for qualified mitigation projects to mitigate against loss from fire. Provides eligibility criteria for residential property owners to receive grants and guidelines for contractors and assessors to perform work on mitigation projects. Establishes the Strengthen Hawaii Homes Revolving Fund. Requires annual reports to the Legislature. Appropriates funds. Effective 7/1/2050. (SD1)

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

