

STAND. COM. REP. NO.

**2402**

Honolulu, Hawaii

**FEB 17**

, 2006

RE: S.B. No. 2856

S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Intergovernmental Affairs, to which was referred S.B. No. 2856 entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose of this measure is to require each county to adopt an ordinance to participate in the community rating system of the National Flood Insurance Program.

One individual submitted testimony in support of this measure.

According to the individual testifier, Maui County is participating in the National Flood Insurance Program's community rating system program and, as a result, its residents receive a five per cent discount for low-risk to moderate-risk properties and a ten per cent discount for special flood hazard area or high-risk flood areas. Participation in the program is free, but the counties must commit to the guidelines.

Your Committee finds that if all of the counties participated in the National Flood Insurance Program's community rating system program, county's residents could save on their premium costs.

Upon further consideration, your Committee has amended this measure by adding an appropriation to constitute the State's share of the cost of mandated programs pursuant to Article VIII,



section 5, of the State Constitution, and by making technical, non-substantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2856, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2856, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Intergovernmental  
Affairs,



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DAVID Y. IGE, Chair

