

JAN 18 2013

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# A BILL FOR AN ACT

RELATING TO THE HAWAII HURRICANE RELIEF FUND.

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

1           SECTION 1. Chapter 431P, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§431P- Refund of Money. (a) Any owner of eligible  
5 property as defined in section 431P-1 who, within ninety days  
6 after the effective date of this Act, submits to the Hawaii  
7 Hurricane Relief Fund proof of payment as defined in section  
8 431P-1 of special mortgage recording fees as established by this  
9 chapter, shall receive a full refund from the hurricane reserve  
10 trust fund of those fees.

11           (b) Any owner of eligible property as defined in section  
12 431P-1 who, within ninety days after the effective date of this  
13 Act, submits to the Hawaii Hurricane Relief Fund proof of  
14 payment as defined in section 431P-1 of the amount paid in  
15 policy premiums for hurricane insurance coverage issued by the  
16 Hawaii Hurricane Relief Fund, either directly or through a  
17 servicing carrier, shall receive a prorated refund from the  
18 hurricane reserve trust fund of those premiums paid.



1       (c) The pro rata percentage in subsection (b) of this  
2 section shall be calculated as provided in this section. After  
3 the ninety day deadline for submitting refund claims has  
4 expired, and all valid claims under subsection (a) of this  
5 section have been paid, the accumulated total net income left in  
6 the hurricane reserve trust fund, less \$1,000,000, shall be  
7 distributed among the claimants as follows. If the funds  
8 available for distribution are sufficient, all persons with  
9 valid claims under subsection (b) shall be refunded the total  
10 amount claimed under subsection (b) for which proof of payment  
11 is provided. If sufficient funds are not available to refund  
12 all claimants in full, each claimant shall be assigned a  
13 percentage equal to the amount of policy premiums for which that  
14 claimant has provided proof of payment under subsection (b),  
15 divided by the total sum of policy premiums for which proof of  
16 payment has been provided by all claimants under subsection  
17 (b). Each claimant shall then be refunded that claimant's  
18 assigned percentage of the total funds available for  
19 distribution under this subsection.

20       (d) Refunds under this section shall be issued no later  
21 than sixty days after the ninety day deadline for submission of  
22 claims established in subsections (a) and (b) of this section.



1 Any refund to which a property owner is entitled under this  
2 section, and which is not paid by the date required by this  
3 subsection, shall accrue interest on the amount unpaid at a rate  
4 equal to the prime rate for each calendar quarter plus two per  
5 cent, but in no event exceeding twelve per cent per year, until  
6 it is paid. As used in this subsection, "prime rate" means the  
7 prime rate as posted in the Wall Street Journal on the first  
8 business day of the month preceding the calendar quarter."

9 SECTION 2. Section 431P-1, Hawaii Revised Statutes, is  
10 amended by adding a new definition to be appropriately inserted  
11 and to read as follows:

12 "Proof of payment" includes any one of the following:

13 (1) A copy of the owner of eligible property's mortgage  
14 closing statement showing the amount paid for a  
15 special mortgage recording fee;

16 (2) A copy of the page or pages from the owner of eligible  
17 property's homeowner's policy packets showing the  
18 coverage limits, deductible, servicing carrier, and  
19 policy premiums for the Hawaii Hurricane Relief Fund  
20 issued hurricane insurance, for each year the policy  
21 was in force;



- 1        (3) A copy of a cancelled check for special mortgage
- 2                recording fees paid;
- 3        (4) A copy of a cancelled check for policy premiums paid
- 4                for hurricane insurance issued by the Hawaii Hurricane
- 5                Relief Fund;
- 6        (5) Records from a financial institution proving payment
- 7                by an owner of eligible property of special mortgage
- 8                recording fees or of policy premiums for hurricane
- 9                insurance issued by the Hawaii Hurricane Relief Fund;
- 10               or
- 11        (6) Any other proof satisfactory to the officers of the
- 12                Hawaii Hurricane Relief Fund that an owner of eligible
- 13                property paid special mortgage recording fees or
- 14                policy premiums for hurricane insurance issued by the
- 15                Hawaii Hurricane Relief Fund."

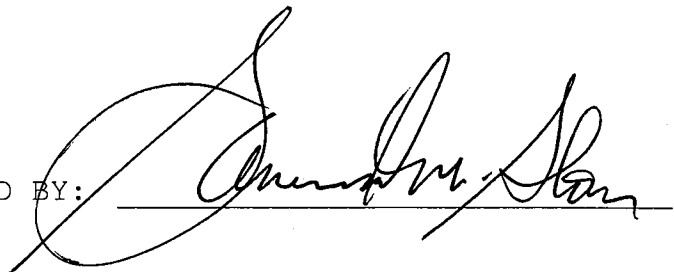
16        SECTION 3. New statutory material is underscored.

17        SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:




# S.B. NO. 250

**Report Title:**

Hawaii Hurricane Relief Fund

**Description:**

Refunds to property owners all but \$1,000,000 from the hurricane reserve trust fund.

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

