

STAND. COM. REP. NO.

750

Honolulu, Hawaii

March 1

, 2013

RE: H.B. No. 1443

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1443 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND, "

begs leave to report as follows:

The purpose of this measure is to help rebuild the reserves of the Hawaii Hurricane Relief Fund by:

- (1) Authorizing the Hawaii Hurricane Relief Fund to conduct itself as a private entity to participate in the insurance market;
- (2) Reactivating the special mortgage recording fee established under Chapter 431P, Hawaii Revised Statutes; and
- (3) Appropriating \$113,250,000 in general funds to be deposited into the Hawaii Hurricane Relief Fund.

The Hawaii Insurers Council opposed this measure. The Department of Budget and Finance and Hawaii Association of REALTORS provided comments.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;

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- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that concerns were raised that this bill may confer to the Hawaii Hurricane Relief Fund an unfair competitive advantage that is not available to private insurers in the personal lines hurricane insurance market.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1443, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



