

Honolulu, Hawaii

March 24, 2016

RE: S.B. No. 2732
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 2732 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:

- (1) Require the interest earned on the balance of the Hurricane Reserve Trust Fund to be retained in the Hurricane Reserve Trust Fund;
- (2) Require the Board of Directors of the Hawaii Hurricane Relief Fund to conduct a study of the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the Hurricane Reserve Trust Fund; and
- (3) Appropriate moneys from the Hurricane Reserve Trust Fund for the study.

The Hawaii Emergency Management Agency, Hawaii Association of Realtors, and two individuals testified in support of this measure. The Hawaii Hurricane Relief Fund provided comments on this measure.

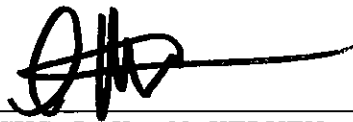


Your Committee has amended this measure by:

- (1) Requiring the Board of Directors of the Hawaii Hurricane Relief Fund to conduct a study to determine whether the use of parametric disaster insurance policies for the State is feasible, practical, affordable, and in the public interest instead of on the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the Hurricane Reserve Trust Fund;
- (2) Changing the appropriation to an unspecified amount and specifying that the purpose of the appropriation is to conduct a study on whether the use of parametric disaster insurance policies for the State is feasible, practical, affordable, and in the public interest; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2732, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2732, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



