
A BILL FOR AN ACT

RELATING TO HURRICANE PREPAREDNESS.

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

1 SECTION 1. The legislature finds that Hawaii is
2 susceptible to property loss due to hurricanes, tropical storms,
3 and strong winds. The best long-term solution to reducing
4 potential damage is the statewide use of wind resistive devices.
5 The legislature also finds that residents in this State must
6 inspect, repair, and reinforce their residences every year to
7 prepare for the possibility of a hurricane making landfall. The
8 inspection, repair, and reinforcement of their residences
9 consume needed resources from homeowners' budgets but result in
10 homeowners having more hurricane-resistant residences. This, in
11 turn, contributes to reduced hurricane damage repair costs and
12 may qualify homeowners for much-needed hurricane insurance
13 premium credits.

14 The legislature also finds that establishing a program to
15 provide grants to certain property owners for the installation
16 of wind resistive devices, approved by the insurance



1 commissioner, will lessen the severity of property loss from
2 strong winds.

3 The legislature further finds that establishing the program
4 will also serve a public purpose by protecting the health,
5 safety, and welfare of Hawaii residents. The installation of
6 wind resistive devices helps reduce the incidence and severity
7 of personal injury and property damage in the event of a
8 hurricane, which will in turn preserve human life and property
9 values and minimize disruptions to the State's economy, business
10 activity, and delivery of public services. The program will
11 also serve the public purpose of stimulating economic growth and
12 activity in the State by creating business and employment
13 opportunities from the sale and installation of wind resistive
14 devices.

15 The legislature further finds that the hurricane reserve
16 trust fund, established by Act 339, Session Laws of Hawaii 1993,
17 was part of a "new, creative, and flexible" mechanism to provide
18 hurricane insurance to Hawaii residents in the aftermath of
19 Hurricane Iniki. After its inception, the fund helped stabilize
20 Hawaii's weak hurricane insurance market, yielded the hurricane



1 insurance market to the private sector, and entered a state of
2 dormancy ready to be reactivated when needed.

3 The legislature also finds that the fund's assets currently
4 generate approximately \$3,000,000 annually in interest, which is
5 deposited into the general fund for unrestricted use.

6 The purpose of this Act is to increase hurricane
7 preparedness in Hawaii by allocating a portion of the moneys
8 earned through interest from the hurricane reserve trust fund's
9 assets to provide grants under a safe home program, which will
10 assist financially qualified homeowners with the installation of
11 approved wind resistive devices for hurricane preparedness of
12 their homes.

13 SECTION 2. Chapter 431P, Hawaii Revised Statutes, is
14 amended by adding a new part to be appropriately designated and
15 to read as follows:

16 **"PART . SAFE HOME PROGRAM**

17 **§431P-A Definitions.** As used in this part:

18 "Mitigation" means actions undertaken to reduce losses that
19 may result from a hazard.

20 "Wind resistive devices" means devices and techniques, as
21 identified and determined in accordance with section 431P-F(b),



1 that increase a building's or structure's resistance to damage
2 from wind forces.

3 **§431P-B Safe home program; establishment; limited**
4 **liability.** (a) The commissioner shall develop and implement a
5 safe home program and encourage the installation of wind
6 resistive devices. The program may award matching or
7 nonmatching grants to eligible applicants based upon the
8 availability of funds.

9 (b) This part does not create an entitlement for property
10 owners or obligate the State in any way to fund the inspection
11 or retrofitting of residential property in the State.

12 **§431P-C Safe home program trust fund.** (a) There is
13 established the safe home program trust fund. Moneys
14 transferred to the safe home program trust fund may be expended
15 by the commissioner to carry out the commissioner's duties and
16 obligations under this part.

17 (b) The safe home program trust fund may be used by the
18 commissioner to make grants authorized under this part.
19 Matching and nonmatching grants awarded under section 431P-E
20 from the safe home program trust fund shall not be subject to
21 chapter 42F, 91, 103D, or 103F.



1 (c) The safe home program trust fund may also be used by
2 the commissioner to pay for any administrative, personnel,
3 operational, and marketing costs associated with the safe home
4 program.

5 (d) Upon termination of the safe home program, any
6 balances in the safe home program trust fund will be reverted to
7 the general fund.

8 **§431P-D Eligibility for safe home program.** (a) To be
9 eligible for the safe home program, a residential property must
10 be:

- 11 (1) The applicant's primary legal residence;
- 12 (2) Owned and occupied by the applicant;
- 13 (3) A single-family, owner-occupied residential property;
- 14 and
- 15 (4) A residential property covered by a current homeowners
16 or dwelling insurance policy that:
 - 17 (A) Is issued by an insurer licensed in the State or
18 a surplus lines insurer, where the policy is
19 lawfully placed by a broker authorized to do
20 business in the State; and



1 (B) Provides insurance coverage of the residential
2 property equal to or greater than the fair market
3 value of the residential property.

4 **§431P-E Matching and nonmatching grants.** (a) The
5 commissioner may award matching or nonmatching grants based upon
6 the availability of funds.

7 (b) To be eligible for a nonmatching grant award, the
8 applicant must have an annual adjusted gross household income
9 that does not exceed eighty per cent of the median annual
10 adjusted gross income for households within the county in which
11 the person or family resides, as determined by the applicant's
12 most recent federal income tax return. The nonmatching grant
13 award shall not exceed \$6,500.

14 (c) An applicant with an annual adjusted gross household
15 income that exceeds eighty per cent of the median annual
16 adjusted gross income for households within the county in which
17 the person or family resides, as determined by the applicant's
18 most recent federal income tax return, may be eligible for a
19 matching grant award. The matching grant award shall not exceed
20 \$5,200 and must be matched on a dollar-for-dollar basis by the
21 applicant.



1 (d) The commissioner shall issue an annual bulletin that
2 sets forth the maximum grant award amounts based on the total
3 annual adjusted gross household income of the applicant and
4 adjusted for family size relative to the county area median
5 income or the state median family income, whichever is higher,
6 as published annually by the United States Department of Housing
7 and Urban Development.

8 (e) Any grant issued by the program shall not exceed a
9 total of \$5,200 for matching grants, and a total of \$6,500 for
10 nonmatching grants. Any cost of the mitigation project that
11 exceeds the amount of the grant award shall be the
12 responsibility of the applicant.

13 **§431P-F Standards for the award of grants.** (a) Subject
14 to the availability of funds and the standards in this part,
15 grants for wind resistive devices shall be awarded by the
16 commissioner:

17 (1) On a first-come, first-served basis, as determined by
18 the commissioner; and

19 (2) For a wind resistive device or devices installed only
20 in a single-family residential dwelling.



1 (b) Grants shall be awarded for the installation of the
2 following:

3 (1) Roof deck attachment;

4 (2) Secondary water barrier;

5 (3) Roof covering;

6 (4) Brace gable ends;

7 (5) Reinforced roof-to-wall connections;

8 (6) Opening protection;

9 (7) Exterior doors, including garage doors;

10 (8) Tie downs;

11 (9) Improvements that mitigate problems associated with
12 weakened trusses, studs, and other structural
13 components; and

14 (10) Any other wind resistive devices approved by the
15 commissioner.

16 The commissioner, in the commissioner's sole discretion, may
17 amend, narrow, or expand by rules adopted pursuant to chapter
18 91, the definitions, descriptions, specifications, and
19 requirements of the wind resistive devices.

20 (c) A grant may be made to an applicant only if the
21 applicant has:



- 1 (1) Undergone an acceptable wind certification and
2 hurricane mitigation inspection in accordance with the
3 safe home program requirements;
- 4 (2) Filed a completed application form, as determined
5 solely by the commissioner, together with all
6 supporting documentation required by the commissioner;
- 7 (3) Installed the wind resistive device or devices in
8 accordance with the safe home program requirements;
- 9 (4) Provided any other information deemed necessary by the
10 commissioner; and
- 11 (5) Met all additional requirements needed to comply with
12 the grant program as determined by the commissioner.

13 **§431P-G Annual report.** The commissioner shall prepare an
14 annual report to the governor, legislature, and director on the
15 use of the safe home program trust fund. The report shall
16 provide statistical information on program participation. The
17 report shall be submitted to the legislature no later than
18 twenty days prior to the convening of each regular session,
19 beginning with the regular session of 2021.



1 **§431P-H Rules.** The commissioner may adopt reasonable
2 rules, in accordance with chapter 91, as are necessary or proper
3 to carry out the purposes of this part."

4 SECTION 3. Section 431P-16, Hawaii Revised Statutes, is
5 amended by amending subsection (i) to read as follows:

6 "(i) Moneys in the hurricane reserve trust fund may be
7 disbursed upon dissolution of the Hawaii hurricane relief fund;
8 provided that:

9 (1) The net moneys in the hurricane reserve trust fund
10 shall revert to the state general fund after payments
11 by the fund on behalf of licensed property and
12 casualty insurers or the State that are required to be
13 made pursuant to any federal disaster insurance
14 program enacted to provide insurance or reinsurance
15 for hurricane risks are completed; and

16 (2) If such moneys are paid on behalf of licensed property
17 and casualty insurers, payment shall be made in
18 proportion to the premiums from policies of hurricane
19 property insurance serviced by the insurers in the
20 twelve months prior to dissolution of the fund;



1 provided that ~~[all]~~ interest earned from the principal in the
2 hurricane reserve trust fund shall be transferred and deposited
3 ~~[into the general fund each year that the hurricane reserve~~
4 ~~trust fund remains in existence.]~~ in the following manner:

- 5 (1) \$1,000,000 into the safe home program trust fund
6 established pursuant to section 431P-C for fiscal year
7 2020-2021; and
- 8 (2) The remaining interest into the general fund each year
9 that the hurricane reserve trust fund remains in
10 existence."

11 SECTION 4. Section 431P-16.5, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§431P-16.5 Immunity.** There shall be no cause of action,
14 claim for damages or relief, charge, or any other liability ~~[of~~
15 ~~any kind whatsoever]~~ created against the State, the Hawaii
16 hurricane relief fund, the commissioner, or their respective
17 agents, employees, or board, by~~[7]~~ or relating to the loss
18 mitigation grant program~~[7]~~ and the safe home program."

19 SECTION 5. The commissioner is authorized to establish and
20 fill one temporary position, not subject to chapter 76, Hawaii
21 Revised Statutes, to be employed within the insurance division



1 of the department of commerce and consumer affairs for
2 implementation and administration of the safe home program. The
3 hiring of the position shall be appropriated out of the safe
4 home program trust fund.

5 SECTION 6. There shall be no cause of action, claim for
6 damages or relief, charge, or any other liability of any kind
7 created against the State, the Hawaii hurricane relief fund, the
8 Hawaii hurricane relief fund's board and its members, or their
9 respective agents, or employees, by or relating to the transfer
10 of any moneys from the hurricane reserve trust fund to the
11 general fund or the safe home program trust fund.

12 SECTION 7. There is appropriated out of the safe home
13 program trust fund the sum of \$1,000,000 or so much thereof as
14 may be necessary for fiscal year 2020-2021 to develop and
15 implement the grant program established under this Act.

16 The sum appropriated shall be expended by the insurance
17 commissioner for the purposes of this Act.

18 SECTION 8. In codifying the new sections added to chapter
19 431P, Hawaii Revised Statutes, by section 2 of this Act, the
20 revisor of statutes shall substitute appropriate section numbers



1 for the letters used in designating and referring to the new
2 sections in this Act.

3 SECTION 9. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 10. This Act shall take effect on July 1, 2025.



Report Title:

Insurance; Safe Home Program; Safe Home Program Trust Fund;
Grant; Hurricane; Wind Mitigation; Hawaii Hurricane Relief Fund;
General Fund; Appropriation

Description:

Establishes the Safe Home Program to provide matching and nonmatching grants for installation of wind resistive devices to single-family, owner-occupied, residential property owners. Creates one temporary position within the Insurance Division of the Department of Commerce and Consumer Affairs to implement and administer the Safe Home Program. Appropriates funds. Effective 7/1/2025. (HD1)

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