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**STATE OF HAWAII
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce and Consumer Protection
and
Senate Committee on Public Safety, Intergovernmental, and Military Affairs
Wednesday, February 10, 2021
10:30 a.m.
Via Videoconference**

**On the following measure:
S.B. 1101, RELATING TO HURRICANE PREPAREDNESS**

Chair Baker, Chair Nishihara, and Members of the Committees:

My name is Colin M. Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department supports this administration bill.

The purpose of this bill is to establish the Safe Home Program to provide matching and nonmatching grants for installation of wind resistive devices to single-family, owner-occupied, residential property owners upon certain circumstances. This bill also creates one temporary position within the Insurance Division to implement and administer the Safe Home Program. If passed, this bill will allocate \$2,000,000 earned through interest from assets of the Hawaii Hurricane Relief Fund to provide grants under the Safe Home Program.

Hawaii residents are highly susceptible to property loss due to hurricanes, tropical storms, and strong winds. With climate change affecting average temperatures

and extreme temperatures, the likelihood of weather-related natural disasters, such as Hurricane Douglas in 2020, will only continue to increase.

By providing grants to qualifying property owners to make their homes more wind-resistant, this bill will help Hawaii's residents be more resilient in the event of a hurricane, reduce the need for emergency sheltering, and provide for more rapid recovery from a weather-related event. Fewer damages will result in lower or fewer insurance claims and will, over time, reduce insurance premiums for all Hawaii residents.

Thank you for the opportunity to testify, and we respectfully ask the Committees to pass this administration bill.



STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE DIRECTOR OF EMERGENCY MANAGEMENT
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STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 1101,
RELATING TO THE HAWAII EMERGENCY MANAGEMENT AGENCY

Before the Senate Committees on
COMMERCE AND CONSUMER PROTECTION
AND
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

By

Luke P. Meyers
Administrator, Hawaii Emergency Management Agency (HI-EMA)

Aloha Chairs Baker and Nishihara, Vice-Chairs Chang and English, and Members of the Committee:

Senate Bill 1101 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 upon certain circumstances. Creates one temporary position within the Insurance Division of the Department of Commerce and Consumer Affairs to implement and administer the Safe Home Program.

The Hawaii Emergency Management Agency (HI-EMA) **supports** Senate Bill 1101.

HI-EMA hopes that the creation of the Safe Home Program will encourage homeowners across Hawai'i to implement preventative safety measures, helping to mitigate potentially drastic damage from hurricanes with an increased inventory of stronger homes. Also, the Safe Homes program supports HI-EMA's long-time position of advocating "sheltering in place" because of a severe lack of community shelters statewide as well as the added barriers created by the need to social distance during a pandemic whose end is yet to be determined.

HI-EMA supports this potentially life-saving program as long as it does not cause any conflicts with the Governor's budget.

Thank you.

Luke P. Meyers: Luke.P.Meyers@hawaii.gov; 808-733-4300



DAVID Y. IGE
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

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Testimony of
Gwen Yamamoto Lau
Executive Director
before the
SENATE COMMITTEES ON COMMERCE AND CONSUMER PROTECTION and
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Wednesday, February 10, 2021
10:30 A.M.
State Capitol, Conference Room No. 229

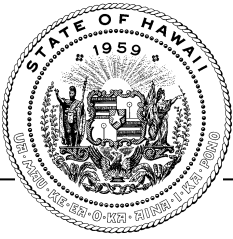
In consideration of
SENATE BILL NO. 1101
RELATING TO HURRICANE PREPAREDNESS

Chairs Baker and Nishihara; Vice Chairs Chang and English; and Members of the Committees on Commerce and Consumer Protection and Public Safety, Intergovernmental, and Military Affairs:

Thank you for the opportunity to testify and provide comments on Senate Bill 1101, relating to hurricane preparedness. This bill proposes to establish a Safe Home Program to provide matching and nonmatching grants for the installation of wind resistive devices to single-family, owner-occupied, residential property owners. The Hawaii Green Infrastructure Authority supports this bill.

This bill provides a number of benefits to low and moderate-income (“LMI”) homeowners, including, (1) helping to protect their homes from property loss due to hurricanes, tropical storms and strong winds; (2) possibly lowering their premiums for property insurance; and (3) helping to make their rooftop “solar ready”. A significant barrier for a number of LMI households interested in installing solar is the deteriorated condition of their roof. As the state is relying on solar production from 100% of our residential rooftops, this bill will assist our vulnerable households, while helping to achieve the state’s clean energy goals.

Thank you for this opportunity to testify and provide comments in support of SB 1101.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
**SENATE COMMITTEES ON
COMMERCE AND CONSUMER PROTECTION
AND
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS**

Wednesday, February 10, 2021
10:30 AM
State Capitol, Conference Room 229

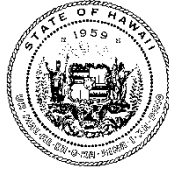
in Support of
SB 1101
RELATING TO HURRICANE PREPAREDNESS.

Chairs Baker and Nishihara, Vice Chairs Chang and English, and Members of the Committees, the Hawaii State Energy Office (HSEO) supports SB 1101, which establishes the Safe Home Program to provide matching and nonmatching grants to strengthen homes and roofs against wind damage.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, energy resiliency, and clean transportation to help achieve a decarbonized economy.

This Administration bill will improve rooftops and building integrity, and that strong roofs give homeowners the confidence to install solar, which will help Hawai'i to achieve the 100% renewable portfolio standard. Based on the electricity generation models in the Power Supply Improvement Plan, and current Integrated Grid Planning underway, that by 2045 all residential roofs as well as a portion of commercial roofs will require solar photovoltaics. To achieve this, existing buildings must have the structural integrity to support these panels and withstand extreme weather events.

Thank you for the opportunity to testify.



**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

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TESTIMONY
OF
BONNIE KAHAKUI, ACTING ADMINISTRATOR
STATE PROCUREMENT OFFICE
TO THE SENATE COMMITTEES
ON
COMMERCE AND CONSUMER PROTECTION
AND
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS
FEBRUARY 10, 2021, 10:30 a.m.

SENATE BILL 1101
RELATING TO HURRICANE PREPAREDNESS

Chairs Baker and Nishihara, Vice-Chairs Chang and English, and members of the committees, thank you for the opportunity to submit testimony on SB1101. The State Procurement Office (SPO) provides the following comments to the bill due to the exemption language on page 4, SECTION 2, lines 15 - 19 set forth below.

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

It is unclear why exemption from Chapters 103D and 103F, Hawaii Revised Statutes (HRS), is included. Grants and subsidies are already exempted from Chapter 103F, HRS. Furthermore, matching and nonmatching grants will be awarded to eligible owner-occupied residential property owners in the state.

This exemption to Chapters 103D and 103F, HRS, appears to be unnecessary as it is not applicable to grants awarded to eligible recipients. SPO does oppose exemption from Chapter 103D, HRS, for the administration of the safe home program.

Thank you.

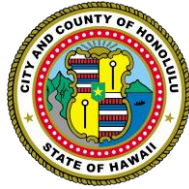
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

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LATE

RICK BLANGIARDI
MAYOR



M ATTHEW GONSER, AICP, CFM
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER

WEDNESDAY, FEBRUARY 10, 2021 10:30 AM

STATE OF HAWAII
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
AND
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY
AFFAIRS

**TESTIMONY ON SENATE BILL 1101
A BILL RELATING TO HURRICANE PREPAREDNESS**

BY,

MATHEW GONSER
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Baker, Chair Nishihara, and Members of the Committees:

The City and County of Honolulu Office of Climate Change, Sustainability and Resiliency (CCSR) **strongly supports** Senate Bill 1101, which 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 and creates one temporary position within the Insurance Division of the Department of Commerce and Consumer Affairs to implement and administer the Safe Home Program.

Hurricane winds can be devastating. When Hurricane Iniki struck Kaua'i in 1992, 41 percent of the island's 15,200 homes were damaged or destroyed. On O'ahu, it is estimated that two out of three single-family homes will not provide sufficient shelter during a Category 1 hurricane and are in need of strengthening. However, older homes can be retrofitted to significantly reduce the risk of structural failure in a storm.

The concept of a residential retrofit program received broad public support during the development of the City's Resilience Strategy in 2019. This Safe Home Program and retrofit grants will help to lower some of the barriers and help property owners to take this critical step. Robustly funding and staffing the program ensures that the Safe Home Program will be able to provide outreach and meet the demand. There are many benefits including: reducing demand for emergency shelter capacity; decreasing damage and

Chair Baker and Chair Nishihara
SB1101
February 10, 2021
Page 2

economic impact; and, increasing the chances that residents can remain in their homes post-disaster.

Thank you for the opportunity to testify in support of SB1101.

TESTIMONY OF ALISON UEOKA

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Senator Clarence K. Nishihara, Chair
Senator J. Kalani English, Vice Chair

Wednesday, February 10, 2021
10:30 a.m.

SB 1101

Chair Baker, Vice Chair Chang, and members of the Committee on Commerce and Consumer Protection, Chair Nishihara, Vice Chair English, and members of the Committee on Public Safety, Intergovernmental, and Military Affairs, my name is Alison Ueoka, President of the Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council supports the intent of this bill. SB 1101 creates a hurricane grant mitigation program patterned after South Carolina. The program provides grant monies or matching grant monies based on financial need, to mitigate homes against hurricane losses. The bill requests an initial funding of \$2,000,000 from interest earned on the Hawaii Hurricane Relief Fund corpus only for the first year. We believe this program will provide an incentive for homeowners to better protect their homes from future wind losses.

Thank you for the opportunity to testify.

Testimony of the Department of Commerce and Consumer Affairs

Before the

Senate Committee on Commerce and Consumer Protection

And

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

Wednesday, February 10, 2021

10:30 a.m.

Via Videoconference

On the following measure:

S.B. 1101, RELATING TO HURRICANE PREPAREDNESS

Chair Baker, Chair Nishihara, and Members of the Committees:

My name is Dennis Hwang and I am a Faculty Member at the University of Hawaii Sea Grant College Program, which is part of NOAA. We have produced the Homeowner's Handbook to Prepare for Natural Hazards 4th Edition, which has gone through 10 print runs with 100,000 copies and has helped to retrofit the residences of over 6,000 proactive homeowners. Today I am testifying as a private citizen.

I strongly support this bill as it is necessary for Hawaii to take the next step in preparedness. After Hurricane Lane threatened Oahu in 2018, a FEMA HAZUS study by the Pacific Disaster Center indicated if Lane had struck as Category 2, there would have been 52,000 homes damaged or destroyed and \$27 billion in damages. Wind retrofits can help to reduce that damage if enough houses participate. Our work indicates there is a general benefit to cost ratio of 15 times

for all wind retrofits in general. For every dollar spent on the program, there is a potential 15 times return in reduction of losses related to hurricane damage (building damage, contents, relocation costs and rental). There is even a higher return for some simple measures as roof to wall ties and opening protection. Thus the proposed bill is of utmost importance considering the numerous threats we have had recently (2015 record number of tropical cyclones, 2018 Hurricane Lane, 2020 Hurricane Douglas), possibly related to climate change.

Please note also that in 2020, the Hawaii Emergency Management Agency asked the University of Hawaii Sea Grant College Program to submit an application to FEMA under their new Building Resilient Infrastructure and Communities (“BRIC”) Program to establish a grant wind retrofit program for Hawaii. The application was submitted in January and a decision will be made by the summer of 2020. The application works with the DCCA, industry and homeowners to establish the program and develop appropriate cost share. There is a strong possibility, though not guaranteed yet, that the Hawaii Safe Home Program can be supplemented with Federal funding. This would mean more homes could potentially be retrofitted at reduced costs. Thus it is hoped that the Committees pass this important bill.

Thank you

Dennis Hwang

**3318 Martha Street
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okimotod@gmail.com**

**Testimony from Darren K. Okimoto, private citizen
Before the
Senate Committee on Commerce and Consumer Protection and
Senate Committee on Public Safety, Intergovernmental, and Military Affairs
Wednesday, February 10, 2021
10:30 a.m.**

On the following measure:

S.B. 1101, RELATING TO HURRICANE PREPAREDNESS

Chair Baker, Chair Nishihara, and Members of the Committees:

My name is Darren Okimoto and I serve as the Associate Director/Extension Leader for the University of Hawai'i Sea Grant College at the University of Hawai'i at Mānoa. I am providing testimony as a private citizen in support of S.B. 1101.

In 1992, Hurricane Iniki struck Kaua'i and damaged or destroyed over 41% (15,200) of the homes. Since Hurricane Iniki the Hawaiian Islands were threatened numerous times, most notably: i) there was a record of 13 tropical cyclones in the central Pacific in 2015, all of them fortunately missing the Hawaiian Islands, ii) Hurricane Lane threatened to do to O'ahu what Hurricane Iniki did to Kaua'i in 2018, and iii) Hurricane Douglas in 2020 was the closest tropical cyclone to pass near O'ahu in decades. A hurricane warning was issued for O'ahu, indicating hurricane winds were expected within 36 hours. A Federal Emergency Management Agency (FEMA) Hazus study indicates a Category 2 strike on O'ahu would cause 52,000 houses to be displaced and cause \$27 billion in economic losses. The National Oceanic and Atmospheric Administration National Weather Service (NOAA NWS) forecasters have also noticed a trend of hurricane paths that once tracked to the south of Hawai'i, now appear to have a more northerly track, placing the islands at greater risk from storm systems like Hurricane Douglas in 2020. With an apparent increasing trend of hurricane risks, most likely caused by the warmer ocean waters and climate change, it is even more important that residents in Hawai'i prepare their families and homes for future storm threats.

The intent of S.B. 1101 is to establish the Safe Home Program to provide matching and nonmatching grants for installation of wind resistive devices to single-family, owner-occupied, residential property owners upon certain circumstances. This bill will also create one temporary position within the Insurance Division of the Hawai'i Department of Commerce and Consumer Affairs (HDCCA) to implement and administer the Safe Home Program. If passed, this bill will allocate \$2,000,000 earned through interest from assets of the Hawai'i Hurricane Relief Fund to provide grants under the Safe Home Program. By providing grants to qualifying property owners to make their homes more wind-resistant, this bill will help Hawai'i's residents be more resilient in the event of a hurricane, reduce the need for emergency sheltering, and provide for more rapid recovery from a weather-related event. Fewer damages will result in lower or fewer insurance claims and will, over time, reduce insurance premiums for all Hawai'i residents.

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) submitted a proposal application in January 2021 via the Hawai'i Emergency Management Agency to a notice of funding opportunity from the Federal Emergency Management Agency' Building Resilient Infrastructure and Communities Program. Under this application, Hawai'i Sea Grant, if awarded the funding, will work with HDCCA to help establish the hurricane grant retrofit program for the state based on research conducted on other states with similar programs as well as the HDCCA program that existed in Hawai'i from 2006 to 2008 that resulted in the retrofit of 430 homes.

Thank you for the opportunity to testify in support of this bill and respectfully ask this committee to pass S.B. 1101.