
HOUSE RESOLUTION

URGING THE MEMBERS OF HAWAII'S CONGRESSIONAL DELEGATION TO
INTRODUCE LEGISLATION TO EXPAND THE NATIONAL FLOOD
INSURANCE PROGRAM TO INCLUDE LAVA INSURANCE.

1 WHEREAS, the National Flood Insurance Program is a federal
2 program established by the National Flood Insurance Act of 1968
3 that enables certain property owners to purchase flood insurance
4 as protection against flood losses, while requiring state and
5 local governments to enforce floodplain management laws to
6 reduce future flood damages; and
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8 WHEREAS, the National Insurance Flood Program has two main
9 goals:

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- 11 (1) Provide access to primary flood insurance, thereby
12 allowing for the transfer of some of the financial
13 risk of property owners to the federal government; and
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- 15 (2) Mitigate and reduce flood risks through the
16 development and implementation of floodplain
17 management standards; and
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19 WHEREAS, as a public insurance program, the goals of the
20 National Flood Insurance Program encompass social goals, which
21 differ from private sector insurance companies, including
22 providing flood insurance in flood-prone areas to property
23 owners who otherwise would not be able to obtain it and reducing
24 the amount of federal expenditures for disaster assistance after
25 floods; and
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27 WHEREAS, residents in Puna on Hawaii Island, particularly
28 in lava zones 1 and 2, face similar insurance coverage
29 challenges as those faced by people who have property in flood-
30 prone areas; and
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1 WHEREAS, in July 2023, Universal Property & Casualty
2 announced it was leaving Hawaii's homeowners, condominium, and
3 renters insurance market, a decision that affected about fifteen
4 hundred policies, the majority of which covered properties on
5 Hawaii Island, including nine hundred policies for properties
6 located in lava zones 1 and 2; and

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8 WHEREAS, as a result, the only insurance available to many
9 Puna residents is from the Hawaii Property Insurance Association
10 (HPIA), the State's property insurance safety net that offers
11 basic property insurance coverage for residents who have been
12 denied coverage in the private market at least twice; and

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14 WHEREAS, however, the HPIA generally charges higher rates
15 for less coverage than insurance companies in the private market
16 and some Puna residents who were former Universal Property &
17 Casualty customers are finding HPIA's rates to be four to ten
18 percent higher; and

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20 WHEREAS, residents in lava zones are in dire need of more
21 insurance options to ensure the protection of all their assets
22 and mitigate the financial burden of higher insurance premiums;
23 and

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25 WHEREAS, expanding the National Flood Insurance Program to
26 include coverage for lava insurance could help address the
27 current property insurance crisis in certain areas in the State
28 and help minimize the economic and social hardships faced by
29 many residents affected by damage caused by lava flow; now,
30 therefore,

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32 BE IT RESOLVED by the House of Representatives of the
33 Thirty-second Legislature of the State of Hawaii, Regular
34 Session of 2024, that the members of Hawaii's congressional
35 delegation are urged to introduce legislation to expand the
36 National Flood Insurance Program to include lava insurance; and

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38 BE IT FURTHER RESOLVED that certified copies of this
39 Resolution be transmitted to each member of Hawaii's
40 congressional delegation.
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OFFERED BY:

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MAR - 6 2024

