
SENATE CONCURRENT RESOLUTION

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



1 WHEREAS, along with facing threats from lava flows,
2 residents of Hawaii are also required to pay additional, and
3 often exorbitant insurance coverage costs for many insurance
4 companies to cover damages from earthquakes; and

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6 WHEREAS, in July 2023, Universal Property & Casualty
7 announced it was leaving Hawaii's homeowners, condominium, and
8 renters insurance market, a decision that affected about fifteen
9 hundred policies, the majority of which covered properties on
10 Hawaii Island, including nine hundred policies for properties
11 located in lava zones 1 and 2; and

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

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

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25 WHEREAS, residents in lava and earthquake-prone zones are
26 in dire need of more insurance options to ensure the protection
27 of all their assets and mitigate the financial burden of higher
28 insurance premiums; and

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30 WHEREAS, expanding the National Flood Insurance Program to
31 include coverage for lava and earthquake insurance could help
32 address the current property insurance crisis in certain areas
33 in the State and help minimize the economic and social hardships
34 faced by many residents affected by damage caused by earthquakes
35 and lava flow; now, therefore,

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37 BE IT RESOLVED by the Senate of the Thirty-second
38 Legislature of the State of Hawaii, Regular Session of 2024, the
39 House of Representatives concurring, that the members of
40 Hawaii's congressional delegation are urged to introduce
41 legislation to expand the National Flood Insurance Program to
42 include lava and earthquake insurance; and



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2 BE IT FURTHER RESOLVED that certified copies of this
3 Concurrent Resolution be transmitted to each member of Hawaii's
4 congressional delegation.

