

STAND. COM. REP. NO. 2723

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3344

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 3344 entitled:

"A BILL FOR AN ACT RELATING TO WILDFIRES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Wildfire Relief Fund and Corporation to provide compensation for property damage resulting from catastrophic wildfires in the State;
- (2) Require the Corporation's board to report to the Legislature; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Hawaiian Electric Company, Inc.; International Brotherhood of Electrical Workers Local Union 1260; Puna Geothermal Venture-Ormat; Chamber of Commerce Hawaii; Hawaii Leeward Planning Conference; AES Hawai'i; Ulupono Initiative; Hawai'i Island Chamber of Commerce; Kalaeloa Partners L.P.; Kona-Kohala Chamber of Commerce; Mālama Learning Center; Par Hawaii; Maui Chamber of Commerce; and eighty individuals.



Your Committee received testimony in opposition to this measure from State Farm Mutual Automobile Insurance Company and two individuals.

Your Committee received comments on this measure from the Office of the Governor; Department of Commerce and Consumer Affairs; Insurance Division, Division of Consumer Advocacy, and Office of Administrative Hearings of the Department of Commerce and Consumer Affairs; Public Utilities Commission; Department of Budget and Finance; Tax Foundation of Hawaii; and Kaua'i Island Utility Cooperative.

Your Committee finds that as the risk of catastrophic wildfires in Hawaii has increased, so has the threat of property damage from wildfires. Your Committee further finds that while most property owners have insurance, some do not, and others have insurance that may not fully cover their losses. Your Committee finds that litigation related to property damages from wildfires can impose massive costs on the State, counties, utilities, landowners, and others. Therefore, this measure establishes a means to provide compensation for property damage resulting from wildfires and to mitigate losses by establishing the Hawaii Wildfire Relief Fund and Corporation.

Your Committee has amended this measure by:


- (1) Inserting language to prohibit an electric utility that is subject to liability proceedings or insolvency claims from participating in the Hawaii Wildlife Relief Fund, unless it provides a plan to resolve the claims that is approved by the Public Utilities Commission;
- (2) Inserting an effective date of July 1, 2040, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3344, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B.



No. 3344, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

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



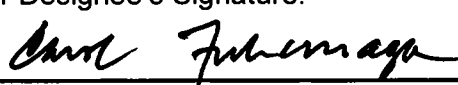
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JARRETT KEOHOKALOLE, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3344	CPN, WAM/JDC	2/14/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
<b>TOTAL</b>	<b>5</b>			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes